HEARING
OF THE
COMMITTEE ON
LABOR AND HUMAN RESOURCES
UNITED STATES SENATE
ONE HUNDRED THIRD CONGRESS
FIRST SESSION
ON
RICHARD W. RILEY, OF SOUTH CAROLINA, TO BE SECRETARY OF
EDUCATION

JANUARY 12, 1993

Printed for the use of the Committee on Labor and Human Resources
HEARING
OF THE
COMMITTEE ON
LABOR AND HUMAN RESOURCES
UNITED STATES SENATE
ONE HUNDRED THIRD CONGRESS
FIRST SESSION
ON
RICHARD W. RILEY, OF SOUTH CAROLINA, TO BE SECRETARY OF EDUCATION
JANUARY 12, 1993
Printed for the use of the Committee on Labor and Human Resources
NOMINATION

TUESDAY JANUARY 12, 1993

U.S. Senate,
Committee on Labor and Human Resources,
Washington, DC.

The committee met, pursuant to notice, at 10:05 a.m., in room SD–430, Senator Edward M. Kennedy (chairman of the committee) presiding.

Present: Senators Kennedy, Pell, Metzenbaum, Dodd, Simon, Mikulski, Wellstone, Wofford, Kassebaum, Coats, Gregg, Thurmond, and Durenberger.

OPENING STATEMENT OF SENATOR KENNEDY

The CHAIRMAN. We will come to order.

There are a number of confirmation hearings this morning, and we will follow a procedure which I think is generally acceptable to the other members of the committee. That is, we will forego opening statements, and any of the members who want to make statements may do so during the time which we will allocate to them. We will instruct the staff to have 10-minute rounds. Since I have worked out this procedure with Senator Kassebaum and discussed it with other members, it seems to be a desirable way to proceed so that we will have the maximum opportunity to hear from the nominee.

Just a very brief comment. Let me welcome the nominee to this committee and to commend the President-elect for nominating Governor Riley for this office as our country's commissioner and leader on education policies. I believe all of us who are aware of Governor Riley's exemplary career as Governor of the State of South Carolina are enormously impressed by his achievements and accomplishments in strengthening the educational system in the State of South Carolina. When he was Governor he demonstrated an extraordinary ability, not only to outline the goals for strengthening elementary and secondary education, but a remarkable capability of building a coalition of the business communities, the parents, the teachers, and those in the rural areas of South Carolina, to gain their support for an educational program which I hope he will outline here today. This program produced absolutely extraordinary results in terms of student achievement, reduction in dropout rates, increased salaries for teachers, and narrowing of the gap between Afro-American and white students. These students made greater academic advances than students in any State in the country over a period of 10 years.
This is really a remarkable achievement. We will have an opportunity to hear from him soon. But I first just want to, say how delighted we are with Governor Riley’s nomination. We look forward to hearing his ideas about how we as a country, all of us, Republican and Democrat alike, can work to strengthen our educational system; mindful, obviously, that education is primarily a local and State responsibility and that our role is limited. Nonetheless, we can play an extremely important role in strengthening the education of young Americans, who we all know are the future of this country.

[The prepared statement of Senator Kennedy follows:]

**PREPARED STATEMENT OF SENATOR KENNEDY**

We are meeting this morning to consider President-elect Clinton’s nomination of Richard Riley of South Carolina to be Secretary of Education.

On behalf of the committee, I want to commend Mr. Riley on his nomination. He has had a brilliant career in both politics and education, and he is obviously extremely well-qualified to be Secretary of Education. As Governor of South Carolina from 1979 to 1987, he made education a centerpiece of his administration. In 1983, he successfully persuaded the legislature to enact a school improvement bill paid for by raising the State’s sales tax.

The positive results of Governor Riley’s leadership in his State on education are impressive:

- The percentage of high school graduates has increased.
- Enrollment has increased in programs for gifted and talented students, and there have been reductions in the proportion of students requiring compensatory education.
- An increased percentage of students now pass the mandatory basic skills examination, and South Carolina’s SAT scores have increased faster than any other State in the last decade.
- Placement of vocational education graduates in jobs related to their training has increased.
- Teacher salaries have increased and teacher recruitment has improved.

Governor Riley’s impressive efforts in South Carolina are proof that inspired leadership and a solid commitment to education can make a decisive difference in educational achievement.

The confirmation hearing is of special significance. All of us are concerned about the economy and the future of our society, especially in our cities. We know that we need to examine the Nation’s schools from the perspective of the call made 10 years ago in “A Nation at Risk.” As the report stated, “History is not kind to idlers,” and time is running out. We need national leadership to completely revamp our outmoded educational system.

We remain a nation at risk. Consider just a few statistics:

- One out of every four high school students today will leave school without graduating.
- One out of every eight Americans—roughly 23 million people—are illiterate.
- One in every three secondary school students is in a math or science course taught by an unqualified teacher; one out of four ele-
mentary school teachers report that they do not view themselves as qualified to teach science.

American 13-year olds ranked last in an international study of math proficiency; yet two-thirds of those students said they were "good at math."

Governor Riley has the vision, background and record to put us on the right path of progress toward reaching the national goals in education. As he demonstrated in South Carolina, he is ready to break new ground, he is willing to devote the time and energy to defining the problem and shaping a plan, and he is capable of developing the strong political alliance needed to see that reform is achieved.

The reaction to Governor Riley’s appointment has been uniformly positive and with good reason. Perhaps no individual in America brings the commitment, knowledge, and record of accomplishment to this task as Governor Riley. The Nation is fortunate that he will take on this task.

I would ask Senator Kassebaum if she would add a word of welcome, and then ask our colleagues to make their presentations.

Senator Kassebaum. Thank you, Mr. Chairman.

I do welcome you, Governor Riley, and am looking forward to working with you as Secretary of Education. I will save further comments until my questioning.

[The opening statements of Senators Kassebaum and Mikulski follow:]

**OPENING STATEMENT OF SENATOR KASSEBAUM**

It is a pleasure to welcome you, Governor Riley, to today’s hearing as President-elect Clinton’s nominee to be Secretary of Education. During your 8 years as Governor of South Carolina, you built an impressive record on behalf of public education reform.

Based on your dedication to education, your accomplishments, and your reputation for building consensus, I am certain you will find a cooperative spirit. I share your beliefs in tougher standards for students, higher pay for teachers, and rigorous college admission requirements.

The new Secretary of Education will face a busy agenda. Congress will be reauthorizing programs under the Elementary and Secondary Education Act, which I believe will present a major opportunity to shape a constructive and nonintrusive Federal role in promoting education reform. In addition, I anticipate you will be continuing current activities to devise national model standards of what we want our students to know.

In this respect, the central challenge to the Secretary of Education and Congress is to maintain the national emphasis on education and high standards without stifling action and creativity at the State and local levels. The vital connection between education and community made possible by the neighborhood school is the most positive part of our current system. The larger the number of individuals and bureaucracies layered between citizens and the final decisionmakers, the less effective our efforts will be.

Another challenge which I hope you will undertake is identifying opportunities for cooperation—and perhaps consolidation—among various Federal programs serving children. Too often, we hear from
frustrated teachers and service providers attempting to negotiate the seemingly insurmountable barriers established around individual programs in an effort to put together a package that makes sense for a particular child. The Federal Government plays a relatively small financial role in education. Even an expanded role would pale by comparison to State and local efforts. What is needed is to use more effectively those resources already available.

**OPENING STATEMENT OF SENATOR MIKULSKI**

I'd like to welcome Richard W. Riley, the Democratic nominee for the Secretary of Education to the U.S. Senate this morning. Entrusted with the task of educating the Nation's children and preparing them for the future, Richard Riley has a great challenge ahead of him. I am confident he will respond to this challenge.

I have had the pleasure of meeting Richard Riley. His long career of public service, most notably his two terms as Governor of South Carolina during which he enacted a highly touted education reform program, shows his commitment to education.

The United States is a superpower *without* a superpowered education system. It is imperative that the quality of education provided to all children from preschool to graduate school be dramatically improved.

There are many important problems we need to address to improve our educational system overall, but one thing is for sure, we have got to get the various agencies and departments talking to each other.

Right now, there is no communication in the Federal Government. I'd like to see some creative involvement at work here. Let's get these wonderful National Foundation reports over to the Department of Education for the backdrop for new methods in math and science education.

Working with other departments is crucial. We don't have to reinvent the wheel.

For example, the Department of Education needs to work with the Department of Health and Human Services to make sure that America's kids are ready to start school.

From immunization to Head Start to primary care... that is Federal Government at work.

There are many ways to prepare our kids for school, but without a doubt school readiness means kids that are healthy and functioning.

Another example... the Department of Education working with the Department of Labor on introducing technology to improve our workforce.

There are many parents out there who want to learn but don't have access or the money to take courses at our Nation's colleges. These parents who cannot learn any other way can come to their child's school to learn. In Prince Georges County, MD, moms and dads working with their kids, learn the basics of how computers work. It's programs like these that begin confidence building and introduce parents to new job skills.

Finally, for those students who are already in college and well on their way to preparing to enter the workforce, we've got to con-
tinue to help them get ready to compete in the 21st century and ready to represent America.

That means continuing to support our community colleges that now educate 50% of our students and continuing to make loans and grants available for middle class families who have been squeezed out of the financial aid process.

And finally, Mr. Riley, we must ensure that all students are treated fairly. Both girls and boys must have the same opportunities for receiving the best education.

I'm really looking forward to a domestic policy team that works together to achieve these goals.

The CHAIRMAN. We welcome our two friends and colleagues here this morning to make a strong bipartisan presentation. We will follow the rules of seniority and hear from Senator Thurmond.

STATEMENT OF HON. STROM THURMOND, A U.S. SENATOR FROM THE STATE OF SOUTH CAROLINA

Senator THURMOND. Mr. Chairman and Members of the Labor and Human Resources Committee, it is a pleasure to be here this morning to introduce Secretary nominee Richard W. Riley. I want to join the chairman and the members of the committee on Labor and Human Resources in extending to Governor Riley a warm welcome.

Governor Riley has a long and distinguished career. He is a nationally recognized leader in the areas of public education reform, nuclear waste disposal, and preventive health care. He is now a senior partner with the distinguished law firm of Nelson, Mullins, Riley & Scarborough, one of the oldest and largest firms in South Carolina.

Mr. Chairman, Richard Wilson Riley was born and raised in my home State of South Carolina. He has a lovely wife and 4 children. After earning his undergraduate degree from Furman University, he served in the United States Navy as an operations officer on a mine sweeper. In 1959, he received his juris doctorate from the University of South Carolina School of Law and then served as a legal counsel to the Judiciary Committee of the U.S. Senate.

From 1963 to 1977, Richard Riley served in the South Carolina State Legislature. On January 10, 1979, Richard Riley became the 81st Governor of South Carolina. During his tenure, Governor Riley initiated many outstanding pieces of legislation. Among his most significant accomplishments was the South Carolina Education Improvement Act of 1984. This Act was judged the most comprehensive education reform measure in the country by a Rand Corporation study. The Act called for increasing the academic standards at all grades, improving the teaching and testing of basic skills, improving the training and evaluation of teachers and administrators, and evaluating and rewarding schools for measurable progress.

Mr. Chairman, Governor Riley's administration was marked by conservative fiscal management of government and progress in job development and quality education. As Secretary of the Department of Education, Governor Riley will again be faced with this task. He will have to make wise use of limited resources. He will
be challenged with the responsibility to redirect educational funding so that more goes into the classroom and less into bureaucracy.

Mr. Chairman, I believe Richard Riley possesses all the virtues necessary to be the Secretary of Department of Education. He is a leader. He is capable, intelligent, industrious, and honorable. He is a long-time friend and colleague.

Mr. Chairman, I am happy to present Mr. Richard Wilson Riley to this Committee and strongly support his nomination to be Secretary of the Department of Education.

Thank you.

The CHAIRMAN. Thank you very much.

As you know, Governor Riley, Senator Thurmond is a valued member of this committee and very much involved in educational matters and other matters as well.

Senator Hollings.

STATEMENT OF HON. FRITZ HOLLINGS, A U.S. SENATOR FROM THE STATE OF SOUTH CAROLINA

Senator Hollings. Thank you very much, Mr. Chairman.

In presenting Governor Riley, I harken the comment made by President Ford when he took over from President Nixon. He said, "The Nation's long nightmare has ended." And in that sense, I have similarly a feel of relief and exhilaration that our long nightmare in education nonsense is now ended, because we really do have an Education Secretary.

Twelve years ago, as you well remember, they came to town and said get rid of the Department of Education. And after 2 or 3 years of that endeavor and feeling, they then said, well, we will just cut the different programs from their regular growth. We will just cut Head Start, we will cut student loans, we will cut Title I for the disadvantages, Title III for the minority colleges, impact the aid right on down. And when that didn't satisfy them, then they came along with gimmicks and slogans—vouchers, goals for others to accomplish, choice, break-the-mold schools, all that kind of nonsense.

We have got a gentleman here who will break the mold, and has done so, in public education. At the very early days, it was James Madison who said, "A public government without public information or the means of acquiring it is but a prologue to a farce or tragedy, or perhaps both."

In answering that correspondence, John Adams said, "The whole people should take upon themselves the education of the whole people and be willing to bear the expense of it."

Governor Riley did just exactly that here in the past decade. When we were all running around in circles hollering, "Read our lips," he was saying, "Feel our whips." He whipped us into shape down there, and put on a 1 percent sales tax, paid for the Education Improvement Act, set the goals with respect to improving the education agenda all the way around, incentives for principals and teachers, and putting in the Office of Public Accountability. For those school districts that were not keeping up to snuff, the State could come in and bring them up to the par that they were expected to perform.

As a result, I noted just in coming up that we have had a 100 percent increase in the participation of our Parent-Teachers Asso-
We have had over 6,000 industries in South Carolina in business-education partnerships for bringing about the improvement in education and over 120,000 volunteers for innovation.

I remember just exactly this time last year when everybody was running around on the Senate floor, innovate, innovate, we have got to have innovation. Somehow public education couldn’t even think of innovation.

I cited at the time 62 particular programs under Dr. Barbara Gotteschmidt and Governor Riley’s Education Improvement Act, all synchronized, computerized through Clemson University. We have now brought that up to over 103 innovative approaches to various problems in education.

We have got it going on in public education due to the leadership of Governor Riley, and he has continued that leadership with respect to instructing at the Kennedy School at Harvard, the Carnegie Corporation, the Duke Endowment in Education. He really is what was best presented by none other than President-elect Clinton at the time of his announcement, saying that, “I want to present to you my partner and my tutor in education.”

I think that that is exactly what we have, and I am sure we all want to hear from him. I would ask consent that my prepared statement be included in the record at this time.

[The prepared statement of Senator Hollings may be found in the appendix.]

The CHAIRMAN. Thank you very much.

Governor, you are introduced by two good friends of all of us on this committee with strong words of endorsement and, I know, of friendship. We are very, very glad to have both of them here today. We know they have other duties and responsibilities, so we will excuse them if they must be under way. We are grateful to both of them for taking the time in joining with us.

I want to indicate at this time how delighted the committee is that we have been joined by Senator Judd Gregg from the State of New Hampshire. He has been selected and appointed to the committee, and all of us on the committee look forward to his service. We are delighted to have him as a member of this committee.

I would ask Senator Kassebaum if she wanted to say a word of welcome to Senator Gregg.

Senator KASSEBAUM. I, too, welcome Senator Gregg. It is always a pleasure to add new members to the Labor Committee, Mr. Chairman, and those who can give the time and dedication to the important issues before this committee.

Senator GREGG. Thank you very much. I am certainly looking forward to serving on the committee with my neighbor from Massachusetts and all the members. This is a committee that has had a tremendous amount of influence over the years, and as Governor, I was very much impressed by some of the activities of the committee. I look forward to working with you.

The CHAIRMAN. Fine. Thank you very much.

Just before proceeding, Governor, I want to take a moment for a personal recollection. We are sorry that your father isn’t here. I would ask you to introduce Mrs. Riley in just a moment.

We have had a long association with your father, who I understand is 92 years young. He was the State Chairman in the State
of South Carolina dating back to 1960, and he was very involved in my brother's campaign. In the wee hours of the morning following the election, he called up and spoke to my brother Bob indicating that South Carolina had voted for President Kennedy.

I checked the votes; they reported 198,000 votes for my brother and 189,000 for Richard Nixon. It was a close race, 9,000 votes. And there was a single write-in down there. Someone must have voted for Strom Thurmond. [Laughter.]

In any event, I think all of us in my family know that public service and involvement in public life has been something that has been very much a part of the tradition of your family going back for a long time.

I also noted that when you were running for Governor, Mrs. Riley told people that her name, Tunky, was derived from an ancient word that, loosely translated, meant "future Governor's wife." [Laughter.]

We asked the Congressional Research Service to look into the source of this word, and we are told that it also means "wife of the future Secretary of Education."

Would you like to present her at this time?

Governor RILEY. Thank you, Senator. I might point out that when she made that comment, when asked where she got the name Tunky, and she said that it meant "future Governor's wife," I was running at about 4 percent in the polls. [Laughter.]

That is the other important part of that story. It is a pleasure for me to present to the committee and those present my wife Tunky. Tunky is a former teacher. She is very active in the PTA at every level, as a parent, and president of the PTA for several schools. We both are lifelong members of the PTA.

She was Chair of my Committee on Citizen Involvement when we had the education reform movement going on in South Carolina. Of course, that was a very important part of the outreach of our effort. She did a grand job of that.

She is the mother of four, the grandmother of five, and almost six. So, it is a pleasure for me to have her with me.

The CHAIRMAN. You are very, very welcome, Mrs. Riley.

We would be delighted to hear from you now.

STATEMENT OF HON. RICHARD W. RILEY, NOMINATED TO BE SECRETARY, U.S. DEPARTMENT OF EDUCATION

Governor RILEY. Mr. Chairman and Senator Kassebaum, Members of the Committee, I apologize for having the sniffles this morning. This Washington weather is something I am trying to get used to. But Senator Hollings tells me it is just as bad in South Carolina. So I guess I am condemned to that.

First of all, I want to say to all the members of the committee that I am deeply honored and privileged to appear before you here today as the nominee for the position of Secretary of Education. It is a special honor for me that the two U.S. Senators from my State—Senator Thurmond, who serves on this committee, and Senator Hollings—both saw fit to present me to the committee, and I thank them both for the kind statements they made. They are gentlemen for whom I have great respect and affection.
As Governor of South Carolina, I had the opportunity to work very closely with Governor Clinton to reform my State's and our Nation's education system. I am so proud that our shared experiences led him to appoint me to this post. I can think of no greater compliment.

If confirmed by the Senate, I intend to work very closely with you as all of us join together to implement our shared vision of effective and innovative and accountable education systems.

I hope that the bipartisanship that marked both Governor Clinton's and my approach to this challenge—an approach that led to the Democratic and Republican Governors working together, and with President Bush—will continue. There is no reason for education to be anything other than a bipartisan effort, if we all want it to be most effective.

We have an essential mission to accomplish together. We must reshape our approach to education to assure all of our people are prepared for a high-performance, worldwide economy, for maintaining international security, and for meeting obligations of civic responsibility.

Three objectives should guide us: (1) to improve the quality of education for all students; (2) to assure access and opportunity for each student to achieve successfully; and, (3) to build together the State, local, public and private partners, and school and college capacity to help all students meet high standards across the Nation.

As a product of the public education system myself, I want every American student to have what I had: access to a quality education which enables them to pursue any career they wish and to take on any challenge that they choose. Giving our students the best education in the world is a moral imperative, and especially an economic necessity.

As President-elect Clinton put it at a Chicago community college speech, "Education is an answer to how all Americans can make their lives better and how we can all make the economy stronger."

As Governor of my State, I led the fight for a series of reforms in South Carolina's schools. These reforms resulted in one of the Nation's largest leaps in SAT scores, markedly greater employment opportunities for graduates of our vocational education system, a near doubling of the percentage of high school students taking tough courses, and an increased percentage meeting exit exam standards. Fifty-five percent of the kids who took exit exams in 1986 passed, and some 97 percent in 1991 passed the exam; and there was a significant increase in the number of high school graduates going on to college.

My experience in education reform runs deeper than ideas and legislation. The fight to reform South Carolina's school system was a lesson in perseverance, in constituency mobilization, and in coalition building—building support city by city, parent by parent, and then strengthening the political network to rouse a resistant legislature to action.

The fight demanded of me just the kind of partnership building that I hope to bring to the education debate at the Federal level. I worked with business leaders, pointing out to them that illiterate labor and unskilled employees make their businesses less competitive, a fact of which they were all very much aware. I worked with
teachers, increasing salaries but only in return for greater accountability.

I worked with legislators, winning votes one by one. And I took my case directly to the people, the people who mattered most, the mothers and fathers who wanted to do what is best for their children. We raised higher expectations for the children of our State, and we did all of this by hard work.

The last decade has been a time of great action and intellectual ferment in education at the State and local level. The President-elect and I have been in the center of this debate. As Chair of a Commission on Educational Quality in the South, I worked with Governor Clinton—this was after I was Governor—who brought education reform strongly to Arkansas in the eighties. We worked to establish specific education goals for the Southern States in 1988, and many of these goals were ultimately embraced as the national education goals in 1990.

Goals are particularly important in the area of education, I believe, because of the bureaucratic jumble created by the overlapping State, Federal, and local concerns. If we cannot agree on the target, we simply will not hit it. Achieving the national goals will require collaboration across jurisdictions and across agencies in terms of action.

As a former Governor, I am committed to both the diversity and the decentralization of this Nation’s education systems, and acutely aware of the contribution that the Federal Government can and must make to their operations without centralizing control.

I look forward to working closely with the Department of Education’s professional staff. I believe that the many talented men and women at the Department of Education can be a positive force for a national movement, setting the tone, coordinating actions, providing information, and giving support to the thousands of individual school systems and colleges across the country that will ultimately carry the burden of educating our students of all ages.

As our share of the partnership, we must craft a way in which the Federal Government can support systemic reform efforts in State and local districts and schools in order to meet the goals.

You made an honorable attempt last year in Senate bill 2, I think, to design the same strategies, and I would hope that we could all work together this year to complete this important task.

We must also work together for the reauthorization of the Elementary and Secondary Education Act, and the reauthorization of the Office of Educational Research and Improvement. We must develop new approaches for preparing our youth for productive employment in high-skill, high-wage jobs. We must establish a new covenant which gives both greater access to postsecondary studies for those who have earned an opportunity to go on, and also provide incentives for young adults to serve their communities and their Nation. We must give all children the opportunity to start school ready to learn, and give elementary educators the tools that they need to teach children from America’s endless variety of backgrounds and cultures.

My experience has taught me that the renewal and the restructuring of our schools must be carried forward both by outsiders and insiders working hand in hand. Teachers, principals, parents, and
politicians, school boards and administrators, business and labor, national leaders must all join together to pursue our common goal: helping students meet the exacting standards that a competitive international economy is going to demand of them.

We must realize that education is not an isolated one-time event. It is an ongoing lifetime attempt to keep up with a pool of knowledge which is growing every day at fantastic rates.

Finally, again and again, we must assert the fundamental principle that all children, all people, can and must learn and, indeed, achieve high standards. If confirmed by the Senate, it will be my pleasure and honor to work together with you as we move forward, bill by bill, to develop a new approach, a participatory, positive approach, of turning a nation at risk into a nation on the move.

I am very excited at the opportunity before us. We have a mandate from the American people and the historic opportunity to turn our best ideas into action.

Mr. Chairman, it would be my pleasure to respond to questions at this time.

[Governor Riley's prepared statement and biographical sketch may be found in the appendix.]

The CHAIRMAN. Thank you very much. I would ask if the staff would follow the time.

I asked the Congressional Research Service to do an evaluation of the program. I am sure you are familiar with it, but I think it is useful to have it as a part of the record. I will put the entire report in the record.

[The report referred to may be found in the appendix.]

The CHAIRMAN. The program focused on raising student performance by increasing academic standards. Course requirements for high school graduation were increased. Passing grades in four academic courses were required for students to participate in extracurricular activities. It specified the school day should be 6 hours, excluding lunch. Afro-American history and South Carolina course work were required for all pupils, and job placement standards established for vocational education. It had a provision to strengthen the teaching and testing of basic skills with passage of a mandatory basic skills examination by pupils in the 10th grade required for high school graduation. Stricter pupil promotion policies were established and half-day voluntary preschool program offered for 4-year-old children, an emphasis on early education and preschool back when very, very few people were talking about it. The program supported the teaching profession by strengthening teacher training as well as teacher evaluation and compensation; post-secondary student loans for prospective teachers provided for cancellation of repayment in return for service.

The President has talked about loan cancellation for those that are going to be involved in areas of professional need, and this was a part of the program which you were involved in just about 10 years ago.

Your program improved leadership management and fiscal efficiency of schools at all levels. The assessment center program was established to evaluate potential principals as well as train and evaluate them; inservice training for school administrators was expanded; implementing strict quality controls while rewarding pro-
ductivity. Performance incentive grants for schools were authorized, the awards to be made on the basis of factors such as higher achievement scores, improved attendance, and increased parental participation. Competitive grants to LEA's for the implementation of instructional innovations were authorized. Annual improvement reports were required to be prepared for each school. You created more effective partnerships among the schools, parents, communities, and businesses; parental involvement in the schools was increased. School buildings were made conducive to improved student learning through assistance provided for the renovation and repair of the facilities.

That is a comprehensive program, and I think what is enormously instructive is the results that came in: increased achievement of those students, increased involvement of the parents, reduction in dropout, increased acceptance rates into institutions of higher learning, and higher wages for teachers. It is an extraordinary achievement and accomplishment.

I will put the full statement in the record because I think for all of us, not only on this committee but also for the Senate and the American people, that this is really an extraordinary achievement.

I would like to cover three or four areas in my time. The first is the issue of the direct loans for higher education. We incorporated a direct loan program, as a pilot program in our higher education bill last year. Some of us have been involved in trying to fashion and shape a direct loan program, myself since 1978, Senator Simon, Senator Durenberger, others on this committee, and others in the Senate have been involved.

I don't know whether you have had a chance to review the direct loan provision of the higher education bill, which we passed last year, and whether you have any reaction as to whether that size is about right or whether you basically favor a pilot program on direct loans. Your views on that issue?

Governor Riley. Senator, I am familiar basically with the issue. I have not specifically reviewed all aspects of the bill, the act that was passed.

It is of great interest to me that the direct loan concept, based on information that I have received, would be quite a savings in terms of money, administrative and other costs resulting from the current guaranteed loan program. I am very much interested in it for that reason, as well as the convenience it will provide for the students who would be getting the loans.

The pilot program that was approved in this Act last year, I think, is the right approach to go about it. I think it is best to get more information about it, and hopefully it will bring forth the kind of information that would complement President-elect Clinton's concept of having loans available for students and that no student in this country be disallowed the opportunity to go to college because of money reasons. Then, students could pay back through a portion of their earnings coming at income tax time or through service.

I very much like that concept. It will take lots of work with the Departments of Labor and Education, and others. I am inclined to think that the pilot is certainly a program deserving further assessment and probably is a good direction to go. But, I am not at this
time ready to say that it absolutely is the way to go; while I certainly think the pilot program is a very good direction.

The CHAIRMAN. Well, we are encouraged by your response. As you know, we have the Guaranteed Student Loan program that goes through the banks. This was a direct loan program based upon the Federal borrowing rates administered through the schools and colleges, with the idea that a student might indicate a percent of their income, for example, the loan 5 percent of the income over a 10-year period to repay. Therefore, students might be able to become school teachers, police officers, or involve themselves in other community work and not be indebted to the extent and period of time that they currently are. We could structure this in an actuarial way, which makes sense as something that certainly, I believe, should be tried.

On the National Service program: whatever is devised, as I heard the President-elect talk about national service, members of this committee are enormously interested in it and strongly support it on both sides of the aisle. There would be an educational component, so to speak, that individuals involved in community service activity might earn either vouchers for higher education or for a down payment on a house.

That is in formulation at the present time. We don’t expect to ask you about the details of the President’s program because it hasn’t been developed yet. But as an approach, are you generally supportive of that concept?

Governor RILEY. Absolutely. I think it is an uplifting approach. It will take lots of careful action to put it in place, but I absolutely support the concept.

The CHAIRMAN. Finally, because my time is moving along, there were reports this morning printed in the newspapers about the concerns of some of the various environmental groups. I think questions have been raised concerning your law firm’s representation of clients who may have committed serious violations of environmental laws. Some environmentalists are concerned that the record of your law firm is inconsistent with the Clinton-Gore administration’s commitment to protecting the environment.

Would you address these important issues?

Governor RILEY. Well, first of all, Senator, my philosophy is consistent with the Clinton-Gore concepts in terms of the environment, and my record would reflect that across the board. I am very proud of being an environmentalist, and I have great care for the environment and want to see that all of it is adequately protected and properly protected.

In fact, I have received from the National Wildlife Federation their top award—I think it is the Carney Award—for work that I did in terms of nuclear waste, handling of low-level nuclear waste and other forms of hazardous materials. I have gotten awards from the Sierra Club and others and always had strong support from environmental groups.

The gentleman who raised the question that was in the paper is a former opponent of mine for Governor and raised these questions which he has a perfect right to do. My law firm now has over 175 members. It is a highly respected—and I am proud to say—an honorable law firm. They now represent, through all of these lawyers
throughout South Carolina and Georgia, both sides of every issue. We have represented both sides of every environmental issue. I personally, for the particular client that was complained of, have never done any work with them. I do not know the people. I might have passed them in the hall. I have never talked to any of them on the phone or anything else. But, in a large law firm in that context, obviously other lawyers are going to represent all sides of every issue.

My law firm, by the way, also received the top award in America from the American Bar Association for pro bono work in California last summer.

The CHAIRMAN. My time has expired.

Senator Kassebaum.

Senator KASSEBAUM. Thank you, Mr. Chairman.

Governor Riley, I frequently agree with my colleague, Senator Hollings, but I will have to speak to a comment he made with which I don't agree, and that is, "A long nightmare in education has ended."

I really feel that even though we might disagree with various initiatives put forward under the Bush administration, I think all of us would agree that President Bush really heightened the debate about education and the importance of education to this country. And for that, I think we are all very grateful.

You spoke to partnership building, and certainly in your 8 years as Governor of South Carolina, you used partnership building in the most constructive way to put forward what had to be, as outlined in some detail by the chairman, a very difficult education reform program that I know has benefited your State and serves as a model for many other States.

I certainly would agree with you that we need tougher standards for elementary and secondary students, higher pay for teachers, rigorous admission standards for students to higher education. These are things that I think we could identify as goals that we all feel are important.

You have touched on the reauthorization of the Elementary and Secondary Education Act, which is going to be very important this year as we examine various aspects of that legislation that are important to the educational system as a whole.

One thing that I have always felt strongly about is the vital connection between education and the community as exemplified by our neighborhood schools, and the importance of making each of our neighborhood schools the very best that can be achieved.

Finally, a challenge which I hope that you will undertake—and I think it is one that you have addressed and cared about as Governor—is identifying opportunities for coordination not consolidation, among various Federal programs serving children. Too often I hear from frustrated teachers as well as service providers that are attempting to negotiate the seemingly insurmountable barriers established around individual programs in an effort to put together a package that makes some sense for a particular child.

The Federal Government plays a relatively small financial role in education. Even an expanded role would really pale in comparison to what State and local governments pay. I think the key is making it work more effectively and using those resources that are
available in a more accountable manner. And I would hope that, as we look at this reauthorization, that might be something we could focus on.

Speaking of resources, my first question concerns education spending. I think as we all know, the Federal contribution is small. About 7 percent of all money that is spent on elementary-secondary education is Federal money. There is talk of making Chapter 1 a general education aid fund available to all students. In addition, President-elect Clinton has talked about an $8 billion national community service college loan forgiveness program.

This is a very broad question and one you obviously haven’t had time to focus on, but you did have to match moneys and programs in South Carolina. I wonder if you could talk just a bit about your view on the Federal fiscal responsibility to education and how this fits into the larger picture of our need for deficit reduction.

Governor RILEY. Thank you so much. I think all of us realize that as this new administration comes into office, we are coming in at a time of very significant deficit problems. That affects all departments. It affects not just the Treasury and OMB and those who are directly related, but it affects every department.

President-elect Clinton is very much interested in paying attention to that in every decision he makes. I will join him in that.

He also looks to the fact that while paying this debt down and reducing the deficit is of paramount importance. Also, we are short in what we have been investing in human resources in this country. We are short in what we have been investing in terms of job creation to get things going, the infrastructure which can be related to education also. I will attempt, Senator, to work with him to try to make the careful choices in terms of the Department of Education that would be very sensitive to this deficit problem, but would also be sensitive to the fact that the education of the young people of this country is the only way for us to come out of this economic hole that we are in. If we do not have the perception to look at the long-term investment of careful expenditure of funds for our children’s education, then I think we will be in this deficit situation in a permanent way.

I realize that State and local support is the primary way for those dollars to come, but I do think that we on the Federal side can use the resources at our hand in a very conservative way to advise State and local government how to best utilize their funds to try to make the most out of the system. This gives you some indication of what would be my general philosophy as Secretary of Education.

Senator KASSEBAUM. One other question. Well, there are many questions one could ask on education, but I would like to ask about national testing. It is something that many people speak to, but sometimes from a number of different angles. There doesn’t seem to be any particular one guiding purpose of national testing that I have heard articulated in a way that I thought resonated with some understanding. I wonder if you could speak to your thoughts on national testing, the national goals and your perceptions on the purpose of national testing.

Governor RILEY. Senator, for a number of years, of course, we have had the NAEP testing, the National Assessment for Edu-
cational Progress, which has been, I think, of some help for us and has given us certainly some signs of progress, or lack of progress in various areas of education.

I had the fortune of serving on the National Assessment governing board representing the Governors as a Democratic Governor—and the Republican Governor was Mike Castle. As a board member, I dealt quite a bit with that issue of testing.

The goals are, first, in my judgment, getting the systemic educational progress in place. After goals, you need standards and objectives to reach those standards. And, then you need assessment to be able to determine: (1) what is working; (2) what is not working; (3) what kind of progress we are making; and (4) what resources are bringing forth the best fruit.

Yes, I think there is a clear place in a results-oriented education system approach for having strong assessment tools.

I have been pleased that the NAEP test has been shaped somewhat—and I was involved in that—to not just be the multiple choice kind of testing, but to get into open-ended questions, to writing samples, to problem solving that can be determined. There are complications with some of that, but as testing is improved and as standards are developed from State to State, on a voluntary basis, with leadership from the Federal Government and through the goals panel, I think we can develop a very good system of determining where we are going and what is working well.

Senator KASSEBAUM. I will look forward to working with you. I have always been concerned about labeling and tracking students, and that is something that sticks with a younger student sometimes. I think the more we can do to use testing as a resource tool to assist rather than somehow label students, I would find it of value.

Governor RILEY. Senator, if I might respond to that, I absolutely agree with your concern. I have been an outspoken proponent of using testing to help the children. If you have a test, I don’t care what you call it, and it is out there for political purposes or to make some point—to show on the wall, to belittle somebody and try to drive them further—I am opposed to that. I think in testing, you ought to examine the purpose and method of testing. If it is to help the person being tested, it is a good test. If it doesn’t, it is not.

Senator KASSEBAUM. Thank you, Governor.

The CHAIRMAN. I call on the Chairman of our Subcommittee on Education, Senator Pell.

Senator PELL. Thank you very much, Mr. Chairman. I would ask unanimous consent that my statement be inserted in the record.

The CHAIRMAN. It will, in its entirety. All statements will be included in the record in their entirety as if given.

[The prepared statement of Senator Pell follows:]

PREPARED STATEMENT OF SENATOR PELL

Mr. Chairman, I join you in welcoming Governor Riley. At the outset, I want to repeat what I said when I learned of the Governor’s nomination. The fact that the President-elect has chosen a friend and former colleague indicates clearly that education is high on the Clinton agenda, and that its concerns will be heard in the highest levels of our government.
Governor Riley, you compiled a distinguished education record when you were Governor of South Carolina. Your record in South Carolina reads like a book of many of the things we should be doing nationally—from improved teacher recruitment and training to strengthened instruction and testing in basic skills, from quality controls in education to fostering partnerships among schools, parents, community leaders and business.

As you know, we face some very critical problems in education. In higher education, the past decade has seen the growth of a horrendous imbalance between grants and loans. That imbalance threatens educational opportunity. Today, the Pell Grant covers less than 25% of the average tuition bill. In 1980 it covered more than 40%. Clearly, we must solve the Pell Grant shortfall and restore adequate funding to the program so that individuals in need will have meaningful help to pursue a college education.

We must reverse the trend that has seen the Federal contribution to general education decline over the past decade. In 1980 it was almost 10%; today it is only 6%. I was encouraged when Governor Clinton said he wanted to restore education spending to the pre-Reagan levels, and I stand ready to lend whatever assistance possible to reach that goal.

Education reform must be high on the national agenda. In that regard, I believe we should give you the opportunity to take office, get your sea legs, and submit your reform agenda for our consideration. Our platter this year includes reauthorization of the Elementary and Secondary Education Act and the Office of Educational Research and Improvement. We look forward to working with the Clinton administration in both areas, to focusing Federal attention on reform, and to bringing about what could well be the most historic reauthorization since ESEA became law in 1965.

A strong teaching force is, of course, the linchpin to a strong educational system. In this regard, I would ask that you look carefully at the series of innovative teacher recruitment, training, and development programs that are a part of the Higher Education Amendments of 1992. These are solid, innovative approaches to strengthening our teaching force, and they need only the teeth of funding to become effective.

Finally, I applaud what the President-elect has said about national service. I have long advocated a form of national service where successful service was accompanied by an education benefit. In my mind, that would be an excellent supplement to the existing grant program.

I am also intrigued by the proposals for loan forgiveness and income contingent repayment through the IRS. These and the concept of a direct loan program is embodied as a demonstration in the Higher Education Amendments enacted last year. I look forward to working with you as you put your program together. Together, we can accomplish the objectives President-elect Clinton has set forth, and I am equally confident we can do that by avoiding the pitfalls that might threaten the program’s viability and endanger access to loans by deserving students.

Governor Riley, I applaud your nomination and hope that it will receive swift approval by the committee and the full Senate.
Senator PELL. Governor, I was struck with your reference to the maintenance of international security as being one of the purposes of education because that is a point that is rarely made. And the real strengths of our Nation are not the machines of construction or the weapons of destruction or the gold in Fort Knox. The real strength of our Nation is the sum total of the education and character of our people. This comes through very much in your statement.

As part of the last decade, we had several important subject areas addressed in small demonstration programs. They included environmental education, arts in education, metric education, and consumer education, just to mention these few. They are important areas that were lost in the Consolidation Act of 1981, some years ago, obviously, and I would be interested in your view as to how we might address the need for improved education in these areas, recognizing that the Consolidation of 1981 will stick.

Governor RILEY. Well, Senator, you get into the issue of sending down Federal programs with instructions as to how the money should be used, and I fully understand that and understand that in many cases that is desirable. You could run into, however, a difference of opinion at the State and local level as to their freedom to use funds as they would like to use them.

It would be my hope that as the President-elect becomes a true leader of education and all that makes it up, that he and I would be able to provide the leadership to let States and local school districts realize in terms of research and experience all of the information available for them, that arts in education is an absolute necessity. In this day and time, if we do not tap into the creative side of a young person's brain in every possible way, then we are not going to have the innovation, the growth experience, economically or culturally, this country needs.

I would hope that we would set in motion and inspire the belief in the arts, the belief in the importance of science and math, the importance of history, geography, or whatever, so that local decisions would then reflect the kind of information we would provide.

Of course, it is up to the Members of Congress to decide what they would determine would have to be done with the funds that are sent down. My inclination is toward more flexibility and more leadership.

Senator PELL. Thank you for mentioning the arts. In that connection, what do you visualize as the relationship between the National Endowment on the Arts and the National Endowment on Humanities, with your future Department?

Governor RILEY. Well, they are not directly connected, as I would understand it legally. But, they are directly connected in terms of the importance of the arts and the importance of humanities in the education of all Americans, be they young or old.

I will tell you, you have got to, at some point in time, have people support education for education's sake. People have to believe in the importance of education, the importance of having their young people understand what this world is all about, the good citizenship that Thomas Jefferson and others talk about when they talk about education. So, I would hope that we would be saying the same kind of message in terms of the arts and the humanities.
Senator PELL. I won't burden you further with these questions, but when you are in office, this is an area of some interest to many of us up here on the Hill.

I notice that in the last decade, a little over it, that whereas the typical student aid package was once three-quarters grants and one-quarter loans, it has now reversed itself and is one-quarter grants and three-quarters loans. In that regard, I was wondering what your own thought was on how we can avoid the almost prohibitive debt load that many students find themselves faced with when they finish college. This is no derogation of the loan program, which is wonderful. It was the creation of both Senator Stafford and myself.

Governor RILEY. Senator, as an American citizen, I thank you for your leadership in that area. It has meant a lot to higher education in this country. I am well aware of the fact that the Pell grants have stayed relatively consistent and the inflation has skyrocketed in terms of cost of higher education. The percentage has resulted as you defined it, and that is certainly not good for the young people of this country who need a higher education opportunity more today than ever in the history of the country, while it is much more difficult for them to achieve. We talked earlier about ways of addressing this issue.

It is my understanding that President-elect Clinton's proposal, that is being examined and studied for having this loan forgiveness for service and also methods of repayment, would leave in place the Pell grant system. And so, I think it is important for us to realize that it does carry forward that same idea.

As far as the amount of the grants, I would thoroughly agree with you that it is too low. However, we are again faced with the very heavy anchor of the deficit and the problems associated with that.

I am very disturbed, Senator, about the deficit in the Pell grants themselves. I have heard numbers like $1.5 billion or $2 billion. Now, that is something that, should I be confirmed and walk into the Department of Education, must confront immediately. And I don't know where we are going on that; but, certainly we need to do a better job of projecting need and managing this program. This area is a source of great concern to me.

Senator PELL. In connection with those young people who do not have a higher education, there is the Vocational Education Act that provides education and training for a lot of the noncollege-bound students. I was curious, as we look at bringing more coherence and meaning to many job training programs, what you think the Department of Education should do in that regard.

Governor RILEY. Well, I think that brings out a very important factor to me, and that is a more collaborative relationship between the Department of Education and the Labor Department. So many factors related to these complex issues are multidepartmental. I think we make a great mistake in trying to catalogue things into one department and think that that is where it lies. That is not true. When you talk about school to work, to have a smooth, seamless web take place where a young person who is going into the work market has the opportunity to get the strong educational, and also the practical background, and then move into the work world
in a very smooth way without having a tremendous bump in the road—I think interagency cooperation is extremely important.

It is important, then, for me to work with Bob Reich, with whom I have talked at length about this issue. We will have the grand relationship of working together. I will assure you of that. Every effort will be taken to ensure that the education component fits well with the moving-into-the-workplace component of apprenticeship, particularly youth apprenticeship program that has been discussed.

Senator PELL. Thank you very much. My time has expired, but I would just say how glad I am that you are being appointed to this job. I look forward to working with you. Also I would like to emphasize how lucky the cause of education is in having our chairman, Senator Kennedy, take the interest that he does in it.

The CHAIRMAN. Thank you very much, Senator Pell.

Senator Durenberger.

Senator DURENBERGER. Thank you, Mr. Chairman.

Governor Riley, it is a delight to be here and to see you sitting where you are. I have a longer statement that elaborates on that.

But, for my colleagues, let me say that there was once something in this body called the Intergovernmental Relations Subcommittee, and I had the honor to serve all of you as chairman, when this side of the aisle was in the majority, and that is when I came to know Dick Riley, not so much as a governor, but as a person. For those of you who haven’t had that pleasure yet, let me assure you that it will be a delight, and beneath that sort of calm exterior is the kind of heart that you would like to see beating in all public servants. This is a very unique human being.

Having said that, let me also make an observation about your predecessor. There is something about southern governors these days, that we really frigid Yankees way up in Minnesota have never come to appreciate until the 1980’s, and watching Dick Riley and watching Lamar Alexander and watching Bill Clinton at work, for those of us who care deeply about the role that public policy plays in education has filled at least this Senator with some anticipation about the fact that you together can deliver on moving a nation at risk to a nation on the move. And I know you mean that and I know you recognize the challenges.

But there is something about the record already in the South among the governors that proves that you can probably get the job done, and I trust that it is our responsibility to listen, as well as to lecture in the way that we will during the course of these 2 hours.

The first question I wanted to ask I think was just answered, and that is your relationship with Bob Reich and the significance of the two of you and your responsibilities and the relationship of education policy as broadly described, some of which lies programmatically in labor and some lies programmatically in education. But unless the two of you and the President are as one, it is going to be difficult to get the job done. So I appreciate just hearing it spontaneously that you had been working.

The second is I want to ask you about school choice, as it is called. I have an ongoing interest in health care, as many people
know, and second to that is my interest in reform in elementary and secondary and even in higher education.

So I read a lot of the letters to the editor, and I think if you measured all the letters to the editor in the New York Times as one example in the last couple of months, there are more on school choice than there is on health care. There are more editorials on health care, because the New York Times has decided they are for managed competition. But in the body of that paper, there is more controversy on school choice than anything else, so that seems to be a critical challenge.

I come from a State which made the decision not only for school choice, but choices within public education. I come from the experience now in the last 2 or 3 years in which choice was posited on the national agenda as a choice between delivery systems, public schools, private schools, rather than a choice within communities by parents, by people in need of education, by the community itself structured as a school district or whatever, choices in how to improve the quality of education.

As I understand it, both you and the President-Elect have been strong proponents of public school choice in your own States. Perhaps a general question for a starter is what do you and the new President intend to do to clarify what we mean by school choice, what its role in education reform might be, and what should we be doing at both the Federal and the State levels to affirm the role of parents in choosing the schools or the education forum that their children will attend?

Governor RILEY. Thank you, Senator. I appreciate your kind personal remarks, I enjoyed working with you in a number of ways over the years, and one is certainly in the area of infant mortality, where we have both worked, I thank you for your interest in that area of young children.

Senator METZENBAUM. Would you bring the mike a little closer, please?

Governor RILEY. Yes, sir.

One of the main aspects of reform, in my judgment, is giving citizens a feeling of ownership of the public education system—of their schools. This business of ownership I think is very important. You hear it described in different ways, empowerment. However, it is a feeling—that it is their school; that they are part of it; and that they support it.

The choice aspect of reform is a very important part of a comprehensive package of education reform. However, it is not a silver bullet that is going to solve all problems in every direction. I feel that choice in the public schools is a proper aspect of this comprehensive package.

I oppose the voucher system, using public funds to go to the private schools. I think that pulls the rug out from under the public school system. I would hope that the goal is to have good choices, as you describe them—having real choices, where parents understand what they are choosing, where they have proper transportation systems worked out—and not the converse where choice is used or could be used to bring about segregation or those kind of imbalances.
If all of those safeguards are in place and public school choice is out there, I think it is a very important part again of giving the parents the feeling of ownership and actual control of their own children's destiny. So, in this regard, I do support choice as one of the many aspects of education reform, and I oppose the voucher system and choice in terms of the private schools.

I will say this about private schools. I strongly support private schools. When we had the improvement in public education in South Carolina, a strong interest was had in the private schools, too. The parents there got more into the schools. It was an education improvement, and by improving the quality of public schools, I think it causes the quality of the private schools to go up. We were proud to get our public schools in such good condition in South Carolina. After a couple of years, we had 7,000, 8,009, 9,000 students that transferred from private school back into the public school system. In some cases, parents found that their children had to have help to get caught up with where the public schools were.

Senator DURENBERGER. Dick, if I might, I have just got 1 minute left and I would like to just amplify on that a little bit, and I will stick around for another round, if I can.

Governor RILEY. Excuse me.

Senator DURENBERGER. I remember before school choice became a rhetorical buzz word of some kind, we had tuition tax credits, not in this committee, but in another one on which I served, Finance. I will never forget sitting with Ted Bell when he was Secretary, talking to him about segregation that exists now in the public school system by economics, where the poor have no choice in where they live. They are stuck with these kinds of schools. And I remember not being able to quite persuade him that that was a reality.

In Minnesota, we have tried to rectify that by moving in the direction of charter schools, where within a district, parents, teachers and so forth can be empowered to create schools and then parents to choose more appropriate schools, so that people have choices within a community in which they are stuck economically. What is your view on charter schools?

Governor RILEY. Well, I take a similar position on that issue, Senator. Within the comprehensive reform package that I think is so important, there may be room for the charter school within the public school system. Because it would be under the school district umbrella, and because these could be very important safeguards to see that certain protections are provided, then I also favor that as another mechanism for careful attention. To me, it is very much like the choice within the public schools. It is another option that bears certain tremendous interest.

Senator DURENBERGER. Thank you very much. Thank you, Mr. Chairman.

[The prepared statement of Senator Durenberger follows:]

PREPARED STATEMENT OF SENATOR DURENBERGER

Mr. Chairman, I regret that I'm having to divide my time this morning between this hearing and the confirmation hearing now going on in the Finance Committee for our distinguished colleague, Senator Bentsen.
As a result, I will keep my comments brief, while also submitting for the record several questions for the nominee as well as additional commentary on some of the challenges and opportunities in the broad field of teaching and learning that are now facing both the new administration and this committee.

Mr. Chairman, you and the other members of this committee know of my strong personal interest in education and my commitment to work on a bi-partisan basis on a wide variety of initiatives designed to encourage and support what I like to call "real education reform."

Both the incoming and outgoing Presidents have correctly identified a better educated workforce as an essential element in a long-term economic strategy that will keep this Nation competitive as we enter the 21st century.

President-elect Clinton has included reforming and improving education as one of the top priorities for his new administration. And, I believe he has chosen an excellent Secretary of Education to help him turn those objectives into reality.

Governor Riley brings to this challenge many of the same assets that defined his predecessor—another southern Governor—with recent experience in higher education . . . who had previously launched a major education reform initiative designed to improve quality and outcomes in his State's elementary and secondary schools.

Both Lamar Alexander and Dick Riley also became national leaders in education reform through their work in the National Governor's Association. And, both these former Governors have shared common objectives in education—and a long and positive personal relationship—with a third southern Governor who is about to become President of the United States.

Mr. Chairman, this Nation was very well-served by the last Secretary of Education this committee confirmed. And, I can't let this opportunity pass without saying how much I will miss Lamar Alexander, and the vision and energy and commitment he brought to his job.

But, the American people have elected a new President, and that new President has selected a new Secretary of Education whom I also believe is an excellent choice to continue the quest for excellence in education that was begun in the preceding administration.

Governor Riley and I have already had an opportunity to establish a number of points of common interest and common concern in a brief meeting in my office last week.

Given the kind of strong support he will need from the new President, I believe he will succeed.

I believe he will use—and, I believe he will need—the ideas and support that I and my colleagues on this side of the aisle have a duty and an obligation to help provide.

I make that observation, Mr. Chairman, because of my strong belief than any "real reform" in education must be bi-partisan.

And, you know that from the work we did last year—along with Senators Simon, Bradley, and others—to design new and better ways of paying for college.
These three ideas for change—public school choice, charter schools, and new and better ways of paying for college—are all part of the Clinton education reform agenda.

In fact, one of the items I'd like to enter into the record of this hearing, Mr. Chairman, is the chapter on needed changes in education from the Progressive Policy Institute's new book, Mandate for Change.

One of the three core recommendations from that chapter urges the new President to (and I quote) . . .

"Promote charter schools and other State efforts to harness choice and competition to improve our public schools."

"President Clinton (the recommendation continues) should put the resources of his Education Department behind State efforts to design and enact public school choice laws. He should further encourage the States by proposing that they be allowed to use a significant portion of Federal education aid to set up innovative public schools. Presidential leadership also is essential for setting broad, national standards of performance for all public schools, including charter schools." (end of quote)

Also included earlier in this same chapter, Mr. Chairman, is a specific recommendation that the new President support the legislation that Senator Lieberman and I introduced last year to allow States to use Federal education improvement grants to help set up new charter public schools.

During the course of our discussion last week, I identified for Governor Riley four personal priorities I have for our committee's work during the course of the coming year. I believe these are all priorities that you share, as well

Briefly, Mr. Chairman, they are:

First, the recommendation I just read to you from Mandate for Change—to authorize Federal funding of State-level public school choice initiatives and innovative new public schools—including charter schools.

The logical vehicle for this proposal is legislation reauthorizing the Elementary and Secondary Education Act which the Labor Committee will draft this year. In addition, Senator Lieberman and I intend to re-introduce our legislation authorizing a new Federal grant program to fund start-up expenses for new charter schools.

A second priority I know you share, Mr. Chairman, is to authorize expanded Federal support for co-location of health and other services in and around schools.

In addition to legislation considered by this committee, I intend to author legislation in the Finance Committee to expand support for school-based health services using the Maternal and Child Health Block Grant program.

And, I'm also exploring ways of increasing Medicaid reimbursement for otherwise eligible primary care services that are delivered in school-based settings.

A third priority for this coming year, Mr. Chairman, is to use elements of the Simon-Durenberger IDEA proposal to help shape the income-contingent direct loan components of a Clinton national service initiative.
I'm also hopeful that the new administration will draw on the IDEA proposal as it implements the direct loan demonstration we included in last year's reauthorization.

And, a fourth priority, Mr. Chairman, is that we ensure that legislation implementing a Clinton national service proposal is considered in the context of broader education reform.

Service in the community can be a powerful force in improving teaching and learning—as well as an alternative way to help pay for college.

That's why I believe that expanded service learning opportunities should be included in this year's reauthorization of the Elementary and Secondary Education Act, as well as legislation reauthorizing the Commission on National and Community Service.

All four of these goals are consistent with campaign themes and priorities we have heard from the incoming President. But, they are not Democratic ideas or Republican ideas. They are good ideas that deserve bi-partisan support in the Congress and from both consumers and providers of education all across America.

I am confident that these good ideas are also high priorities for the nominee who is before us today. And, I believe they should be high priorities in this coming year for this committee, as well.

Thank you Mr. Chairman.

Breaking the School Choice Logjam
Remarks by Senator Durenberger

Let me begin by thanking the editors of Fortune magazine for hosting this fifth annual Education Summit.

In many ways, I consider myself more of a "student" than a "teacher" of education reform. So, I feel honored to be included in such a distinguished gathering of experts.

My mentors on this subject are people back home who have made Minnesota the home of the Nation's first state-wide school choice law . . . and the home of alternative and contract schools for at-risk kids, charter schools, and an increased focus on individual learner outcomes.

That record of leadership helps explain why President Bush chose St. Paul to unveil his America 2000 initiative. And, it's not just the walleyes that have brought Lamar Alexander back to Minnesota no fewer than four times in the past 18 months!

A lot of the talk and action on education reform around the country has grown bolder and gotten more attention because of the leadership we've seen from President Bush and Secretary Alexander since the Charlottesville Summit and since America 2000 was unveiled in St. Paul.

And, yet most people in this room would probably agree that there's still no consensus on what role the national government should be playing in encouraging education reform.

That lack of consensus is most obvious in the legislative logjam we've experienced this year over public and private school choice—a logjam that has left me and many other supporters of education reform at the national level deeply disappointed.

My own strategy to break that logjam has been to try to get past the conventional thinking, to get past the partisanship, and to change the focus of the debate.

One premise I've adopted in accepting that challenge is that we'll never agree on a new national government role in education unless we're first willing to re-define what we mean by American "public education."

I also believe its unwise to raise expectations about new "break the mold" schools funded at the national level—whether they're funded by Federal tax dollars or by private donations or private investors—unless there's a also legal and financial infrastructure out there in the States than can sustain a replicate new schools on an ongoing basis.

Fortunately, we are starting to see developments in the States that make me optimistic that we can refocus the debate and that we can redefine what we mean by public education.
In Minnesota, we’re gradually learning that public education should be defined by outcomes—and by principles and values—not by rigid and input-oriented mandates and rules.

As long as publicly defined outcomes are met—and as long as core principles and values are not violated—we’re learning that “public education” can be delivered in an amazing number of ways.

Minnesotans are also coming to realize that the list of core values and principles we’ve traditionally associated with public education really isn’t all that long or complicated...

Public education is free and universally available.

Public education is nonsectarian.

Public education does not discriminate on the basis of race, or sex, or physical or academic ability.

And, public education is accountable to both taxpayers and the electorate.

Public education is not defined by how many hours there are in the day, or by how many school days there are in the school year, or by who hires the teachers, or by who owns the buildings.

Once we’re willing to redefine public education, a lot of what’s been holding up the education reform debate here in Washington doesn’t really need to be an issue.

Under this broader definition of public education, parents and teachers and community groups should be able to own and run public schools. . .

. . . each school could be tailored to meet differing needs of the kids it serves.

. . . accountability can be maintained through contracts that define outcomes . . . contracts that don’t get renewed if those outcomes don’t get met.

. . . and, finally, public education can serve the interests of kids—of student/learners—and, not be overly preoccupied with the interests or convenience of adults.

One way to implement this broader definition of public education is through a relatively new concept called “charter schools.”

Under a new law passed just 16 months ago, Minnesota’s charter schools must be authorized by a local school board and the State board of education. They must employ certified teachers and may not teach religion or charge tuition.

Minnesota’s charter schools may not discriminate on any basis in admitting students. And, they must have a outcomes-based contract with their sponsoring school district—a contract that may be terminated if agreed-upon outcomes aren’t met.

Once they meet these conditions, Minnesota’s charter schools are exempt from all other rules and mandates except health and safety regulations. And, they receive the same combination of State, local and Federal aid that they’d receive as a traditional public school.

Proposals for new charter schools are emerging throughout Minnesota. They’re all different.

And, despite continued resistance on the part of some parts of the education establishment, four charter schools have now been approved to begin operations during the next year.

The first of those schools—called the City Academy—was authorized by the St. Paul School Board. It will focus on dropouts and other hard to reach learners between the ages of 13 and 21.

City Academy will be run year-round from a storefront location in a low income neighborhood. Students participated in the development of the proposal, which has received substantial start-up funding from the Northern States Power Company, the Twin Cities principal privately-owned electrical utility. Initial enrollment will be limited to about 30 students.

Three other Minnesota charter schools have also been approved by local school boards and by the State board of education.

They include a Montessori elementary school, an environmentally oriented K–12 school, and a specialized middle school for deaf and hearing impaired students.

At least a dozen other charter proposals are at various stages of consideration, including several that have been denied approval by their local school boards or the State board of education.

Minnesota’s charter school movement could also get a major boost under a New American Schools Development Corporation grant which will help start as many as 10 new schools in the next year, with at least some of those schools likely to use Minnesota’s charter schools law.

Although it has the first such law, Minnesota isn’t the only State using charter schools to help redefine what we mean by public education.

Governor Pete Wilson now has on his desk a bill that passed the California legislature allowing the start-up of 100 new charter schools.
Credible charter school proposals have also been offered in Connecticut, Michigan, Massachusetts, and several other States as part of broader education reform initiatives.

Detroit's board of education is taking a slightly different approach by allowing individual schools to "opt-out" of direct management by the district's central administration.

These reform proposals are all different. But, the objectives behind them are all the same—to maximize the choices that students have by empowering parents, teachers, and communities to start and run less regulated, outcome-oriented public schools.

In moving ahead to implement these objectives, we have a lot to learn. But, charter schools offer one promising way to meet all those objectives within the parameters of a new and broader definition of "public education."

And, both ends of the current logjam here in Washington would be wise to listen and learn from what's going on . . . out there.

We have neither the time—nor the minds—to waste.

Thank you all very much for this opportunity to be with you here today.

STATEMENT OF SENATOR DURENBERGER
COMMISSION ON NATIONAL AND COMMUNITY SERVICE

Let me begin by joining Senator Wellstone in welcoming the Commission—and the rest of our out-of-town guests and witnesses—to Minnesota.

We're all proud that you chose North High School for one of only two national hearings you're conducting outside of Washington. You've made a wise choice. And, I know you'll be impressed with what you hear from the witnesses . . . and from the "open mike" period later on.

I've stated many times before that most of what I've learned about this subject has come from a lot of the people in this room.

That's why I asked that Paul and I be on this side of the table this morning . . . doing more listening than talking . . . and having a chance to engage in at least some of the dialogue the commission will be having with the students and other witnesses who are here to testify.

I've said many times before that, I came to this issue several years ago with a much narrower vision of what we've traditionally called "volunteerism."

My vision was limited by my own experience as a community volunteer . . . as president of the South St. Paul Jaycees . . . as president of the Burroughs Elementary School PTA . . . as an active participant in the Citizens League and a lot of other community projects and community organizations.

It was also defined as "volunteerism" by my years as a director of VOLUNTEER, the National Center for Voluntary Action, and by my work in the 1970's on the National Study Commission on Volunteering in America.

I did my "volunteering" out of a strong sense of "civic duty." And I still believe that promoting what President Bush calls a "Thousand Points of Light" is an important part of what the Commission on National and Community Service is all about.

But, from people like Jim Kielameier and a lot of teachers and students in Minnesota, I've also learned that integrating community service into the school curriculum can be an essential element in "education reform."

And, I've learned service corps and other forms of stipended service can be an effective "education alternative" for students who aren't well-suited for more traditional schooling that's totally based on textbooks used in the classroom.

This growing awareness of these broader values of community service is one reason I became the lead Republican cosponsor of the Commission's authorizing legislation when it first passed the Congress 2 years ago this fall.

Because both Paul and I serve on the committee that will draft the bill, I'm also looking forward to playing an active and positive role in the Commission's reauthorization this coming year.

And, I'm especially pleased that President-elect Clinton has placed a high priority on both changing the way we pay for college—and on creating new opportunities for youth and community service—in his campaign, and in the priorities he's now setting for the next session of Congress.

Some of what Governor Clinton is proposing sounds a lot like legislation that Senator Paul Simon and I introduced last year to create a new student loan program.

Our proposal—called IDEA—creates a new type of student loan that's available to everyone regardless of income. And, the payments on IDEA loans go up or down every year because they're based on the borrower's postcollege income.
We got a pilot project to test IDEA loans included in the Higher Education Amendments that Congress passed earlier this year.

And, both Senator Simon and I would like to see an expansion of this “better way of paying for college” become part of what the Clinton administration proposes to the Congress.

Perhaps like a lot of you, I have mixed feelings about the other half of the Clinton proposal—to make completing some period of community service a way to help pay the cost of going to college.

In fact, I’ve written a letter to the President-elect that identifies at least some of the issues raised by both parts of his proposal that I would ask be made a part of the record of this hearing (letter attached).

I’m looking forward to our discussion of these issues this morning and at future hearings in Washington . . .

. . . discussion about the wisdom of further complicating our already complex student aid system . . .

. . . about the value of a centralized national service system or a decentralized national service program that builds on new or existing programs at the State or local level . . .

. . . about whether participation in some type of service should be a requirement for high school graduation or be a condition of getting college student aid . . .

. . . about the fairness of a service option or mandate to low income and non-traditional students—students who have jobs and families and less time or financial flexibility to do some period of service in exchange for helping to pay the rising cost of going to college.

These are complex issues that deserve the kind of debate we’re starting here this morning.

In beginning that debate, it helps me to ask two parallel questions . . .

Is community service a different and better way to teach and learn? “Or, is community service a different and better way to pay for college?”

Nothing could really be that simple, of course. And, it’s also probably not an “either/or” question.

But, much of what we hear today—and much of what we hear in the debate to come in Washington—will revolve around those two questions about “what” we’re doing and “why.”

I think I’ve already stated my personal bias that service learning can be a powerful force to both tap the enormous energies and contributions of young people and to improve the outcomes of teaching and learning in this country.

I also believe we’d be better off building on existing initiatives in States like Minnesota, rather than creating a huge new national program that’s run entirely from Washington.

Today’s hearing—and future hearings—will help explore these issues further. So, I’m looking forward to listening and learning everything I can.

Thank you all for coming.

FOR MORE INFORMATION: Contact Senator Dave Durenberger, 1020 Plymouth Building, Minneapolis, MN 55402; 612-370-3382 or 800-752-4226.

U.S. SENATE,
WASHINGTON, DC.,
December 14, 1992

Hon. BILL CLINTON,
Office of the Governor,
State Capitol,
Little Rock, AK

DEAR MR. PRESIDENT-ELECT: During the course of this year’s campaign, I was pleased to hear your repeated calls for fundamental changes in the way we pay for college. And, you have made it clear in your initial statements since the election that you intend to place a high priority on bringing specific proposals to the Congress to implement those changes early in your new administration.

As a member of the Senate Labor and Human Resources Committee—and one who shares your interest in fundamental change—I want to commend you for your leadership and make this offer to play a constructive role in turning good ideas into sound legislative policy.

As you know, the concepts of direct lending, income-contingent loan repayment, and stipended national service were all given extensive debate in Congress over the past 3 years.
In 1990, we authorized the National and Community Services Act, which sets up the framework for a more coordinated Federal role in promoting a variety of youth and community service initiatives around the country. I was pleased to be the principal Republican cosponsor of that legislation which comes up for reauthorization in the coming session of Congress.

And, earlier this year, the Congress included a new direct loan demonstration in legislation reauthorizing the Higher Education Act. That demonstration was based in part on a proposal that Senator Paul Simon and I introduced creating a new program called "IDEA" (for Income Dependent Education Assistance). IDEA is a direct loan program, available to all borrowers regardless of income, with income-contingent repayment made through the IRS.

According to the Congressional Budget Office, the Simon-Durenberger IDEA proposal could have saved $2.7 billion dollars a year through increased efficiencies, better targeted subsidies, and substantially few defaults.

Senator Simon and I proposed transferring most of that savings to the Pell program. Again using CBO estimates, the savings from IDEA would have paid for a $600 increase in every eligible student’s Pell Grant.

The Simon-Durenberger proposal would also have financed a new program offering $1,000 bonus scholarships to up to 500,000 Pell-eligible students based on academic merit. And, it would have paid for new $100 million grant program to States to finance early intervention programs—to better prepare at-risk high school students for college.

**Principles for changes in higher education financing**

It’s my understanding that your advisors are now working on details for a higher education financing proposal to be transmitted to the Congress early next year. As that process goes forward, I’d like to suggest three principles for change that I believe merit your consideration, and the consideration of my colleagues in the Congress.

**Principle I—Fundamental change**

The first of those principles is that we must accept your premise that fundamental change is needed if we’re to guarantee access to college for present and future generations.

We do have to make our current programs work better and more efficiently. Savings from fewer defaults and less overhead should be shifted into grants. And, we must work toward funding the larger Pell grants that Congress authorized this year.

But, there is also a clear message in this year’s election that we must bring down the deficit. And, there’s a clear message that the American people want fundamental change.

So, even if we are able to increase grants, we still won’t assure access to higher education for every American.

And, without new and better ways of paying for college, a larger and larger share of the population will simply be priced out of an opportunity they can’t afford to go without.

**Principle II—Fairness and individual responsibility**

A second principle for reform must be to support your emphasis on fairness and individual responsibility.

Both those goals were what attracted me to the IDEA proposal in the first place. IDEA recognizes the direct correlation between education and income. Generally speaking, the more education you get, the more income you will earn over a lifetime of work.

But, IDEA also acknowledges that many of today’s college graduates earn less, relative to the cost of their education, than did their predecessors. That’s especially true for graduates who take jobs in fields like teaching, social work, and nursing.

And, IDEA recognizes that college graduates stepping into today’s uncertain economy often face periods of unemployment or underemployment—either prior to settling into a permanent job in their field—or even between jobs in what might be an up and down career.

But, even with these ups and downs, a college education is still a lifetime investment that pays off.

That’s why IDEA supports the notion that individuals need to take responsibility for paying for something that contributes so much to their future.

At the same time, that responsibility needs to be assigned and accepted within the realities of today’s economy ... drawing on the fairness and flexibility that an income-contingent loan program like IDEA can allow.
This notion of individual responsibility is also at the root of your proposal to give college graduates the opportunity to work off tuition or student loans through some period of national or community service.

There are a lot of policy and operational issues that will need to be addressed in creating that kind of program. Some of those issues are identified below.

But, there's also a lot of appeal to offering students the opportunity to earn some part of the cost of going to college by tapping their own time and talents in ways that benefit the larger community.

**Principle III—Do reform carefully and do it right**

Finally, a third principle I would offer is that, while we're doing big change, we must do it carefully, and we must do it right.

I've learned over the past several years that there are about as many ways to do income-contingent loan repayment as there are smart people and computers. And, I've also learned that how we design who pays back how much can have a big impact on whether a loan program like IDEA will actually work.

There are thousands of differences in the fine print, but, the proposals I looked at prior to introducing IDEA had at least three big differences.

**First, the proposals differ on where they get their initial source of capital.**

Some of the proposals draw on surpluses in the Social Security Trust Fund. But, I personally concluded it wasn't wise to take on all the special interests who oppose direct lending and all those who are counting on Social Security.

I also couldn't buy into Bill Bradley's proposal to use a 10 percent surcharge on millionaires to launch a new student loan program. Last year at least, such a suggestion always triggered partisan gridlock.

So, Senator Simon and I relied on the upfront sale of government bonds to help launch IDEA. The bonds would be put in a revolving fund and paid back by loan payments . . . then loaned out again and again over time.

**A second big difference in the various income-contingent loan plans is who does the collection.**

I concluded it makes sense to do loan collection through the IRS because of its efficiency and because it is well equipped to make annual calculations of loan payments that are based on income.

But, I also learned that the IRS will need to become a whole lot more comfortable about taking on that new responsibility. And, beyond administrative concerns, some of my colleagues on the Finance and Ways and Means Committees also argued that getting the IRS involved in student loan collection would increase the current rate of tax fraud and tax avoidance—driving up the deficit.

My initial reaction to that concern was pretty simple. It's against the law to cheat on your taxes. And, if more people do it—in this case to avoid repaying their student loans—we need to make sure they get caught!

The reality, of course, is that without real experience with IRS collection of student loans, it's hard to know what impact something like IDEA might actually have on the ability of the IRS to perform its traditional job and on the level of tax fraud and tax avoidance. That's one big reason we agreed to test the IDEA concept with a demonstration program run at a limited number of schools.

**Finally, a third big difference in these proposals—and probably the most important—is exactly how the size of loan payments gets tied to income.**

There's a lot of fine print in these different proposals, but the issue really comes down to two interrelated questions:

First, should the student loan program also become an income transfer program, with higher income college graduates subsidizing student borrowers who end up earning less?

And, second, if some students think they might have higher than average incomes, will they then decide not to participate, and—in the process—deny revenues to the program that are needed to help subsidize others?

In the health insurance business, of course, that's known as "the problem of adverse selection." Too many sick people—or too few healthy people—make a health insurance plan actuarially unsound.

The best advice I got was to design a plan under which nobody pays back more than they borrow, plus interest. IDEA does anticipate some losses from people who die or never generate enough income—even over 25 years—to pay back their loan.

But, the plan is set up to cover those losses out of the difference between what the government pays in interest on the bonds it sells and the interest the government charges to the student borrowers who end up taking out loans.
And, borrowers who end up with high incomes—and who don't need the full term of the loan—can pay off their loan early without having to pay a pre-payment penalty.

Some complexities need addressing on national service proposal

There are a lot of the same kinds of complexities on the other side of your higher education agenda—using national service as a way of paying tuition or working off student loans.

And, I personally believe there's a lot to be learned from people in Minnesota and other States about how to deal with those complexities. Some of the issues include:

How to make sure that nonprofit agencies and State and local governments decide what community problems could benefit the most from an infusion of young volunteers.

How to make sure that a volunteer experience is also a learning experience—by linking community service to schools or colleges or some other source of more formal education.

How to make sure that volunteers don't displace people who are already employed.

In designing a new program for national service, you and your advisors will also have to decide how to build off a number of existing initiatives like:

Programs all around the country that are just getting started with grants from the new Commission on National Service.

All the existing programs that use loan forgiveness to encourage young people to take jobs in fields like teaching and medicine.

The service corps programs now being run by dozens of States and local governments all over the country.

The incentives now in place that encourage young people to serve in programs like the Peace Corps or the military.

As you stated in your first postelection news conference, integrating a national service option with our already complex system of student financial aid is also no simple task.

Deciding how large a stipend to offer, for example, and, deciding whether family income or the cost of instruction should make any difference in the size of the award will have a major impact on cost and on the level of interest the program will generate among students who qualify for other types of grants or scholarships.

There will also be the need to respond to some very serious questions about equity in using national service to finance higher education.

As you know, some supporters of stipended service would make a period of service a requirement for getting student aid.

But, that kind of mandate would immediately divide students into two classes—those who had to do service and those who could afford not to.

A service mandate—or even making national service a more attractive way of financing college—could also be less feasible for nontraditional students who are older, or who are working full or part-time . . . . students who have family and other responsibilities and who can't take time off to do one or 2 years of service to their country or their community.

Finally, I, and others who strongly support nonstipended service learning initiatives at the K-12 and postsecondary levels, will need to be assured that a major new stipended national service program won't draw needed attention and resources away from those (largely local) initiatives.

Four quick suggestions for getting started

By raising all these issues and concerns, I'm certainly not intending to throw sand in the gears of your proposal to change the way we pay for college.

I support the general ideas for change that you have put forward. And, I welcome the leadership you seem prepared to offer those ideas as you and your advisors give them more depth.

Within that constructive spirit, I have four quick suggestions on initial steps to implement your ideas that could be taken early in the next session of Congress.

First, I would ask the Congress to accelerate and expand the direct loan demonstration we passed this year.

I would move up the starting date by 12 months—to the 1993-94 school year. And, I would increase the number of schools involved—especially the number of schools that offer income-contingent loan repayment.
Second, for all the reasons I've stated previously, I believe it would be wise to use the major features in the Simon-Durenberger IDEA proposal in those schools in the demonstration that offer income-contingent loan repayment.

All that would take is a directive to the Secretary of Education, who has the authority to decide how the size of the payments gets determined and who does the collection.

Third, I believe the best place to expand the role of community service in paying for college is to expand on the National and Community Service Act as it comes up for reauthorization next year.

There are sound models for testing a variety of stipended service options already being funded. We just need to evaluate those models carefully, and, where they work, make sure they get expanded and replicated elsewhere around the country.

And, finally, I believe you would be wise to keep national service as an option, not a mandate, and to use existing Federal legislation to expand the links between community service and education that are being established in States like Minnesota.

The National and Community Service Act envisions a highly decentralized system of promoting and supporting service opportunities ranging from service learning projects in the K-12 and post secondary education systems to full and part-time stipended service. I believe that current policy direction should not be replaced by a single national program run from Washington.

It's also important to note that both the Higher Education Act and Elementary and Secondary Education Act include opportunities to expand the link between community service and education. Several such provisions were expanded this year in the Higher Education Amendments of 1992. And, it may be that next year's reauthorization of the Elementary and Secondary Education Act represents another forum for firming up this link.

To summarize, I strongly agree with you that we need a new and better way of paying for college. And, I agree with your emphasis on individual responsibility and fiscal reality. But, I also believe we must do big change carefully, so we get the job done right.

I look forward to working closely with you, your advisors, and my colleagues in the Congress to implement the good ideas you have put forward in ways that work to the benefit of all Americans.

Sincerely,

DAVE DURENBERGER
U.S. Senator.

EDUCATING AMERICA: A NEW COMPACT FOR OPPORTUNITY AND CITIZENSHIP
(Ted Kolderie, Robert Lerman, and Charles Moekos)

INTRODUCTION

More than ever before, America's prosperity hinges on how well we educate and train our people. Yet our public schools are failing to meet new standards of performance being set by our global competitors. Our secondary schools are not producing graduates whose academic skills match those of their counterparts in other advanced countries. We are not doing as good a job as those of our economic competitors in preparing young people for work, a failure that strikes hardest at the "forgotten half" of America's youth who do not attend college.

For those who wish to attend college, the problem is not quality but access. Soaring costs, which rose 51 percent in the last decade for private colleges and 31 percent for public colleges (adjusted for inflation), are putting college beyond the reach of average working families.

These two problems—the inferior quality of our secondary schools and lack of access to America's excellent system of higher learning—stand as obstacles both to individual opportunity for aspiring Americans and to the revival of our Nation's ability to win in the world economy. The new President, therefore, must make revitalizing U.S. education an urgent priority of his administration. He should marshal public support for a radical redesign of U.S. education: to improve the quality of our public schools dramatically while preserving their civic mission; create a more rigorous system for training young people in the skills needed for competing in the global economy; guarantee financial assistance for college for anyone willing to earn it through national service; and thereby underscore the responsibilities as well as the rights of citizenship.
This chapter offers three initiatives that, taken together, provide the basis for a new educational compact for work and citizenship. Under this compact, parents would be able to choose the schools their children attend; noncollege youth would be offered opportunities to work as they learn; businesses would be assured a larger supply of skilled and mature workers; and Federal support for college education would be made available to young people willing to serve their communities. Specifically, this chapter recommends that the new administration:

Promote charter schools and other experiments in public school choice. The new President should use both the power of the bully pulpit and the leverage of Federal education aid to encourage the States to inject more choice and competition into public schools. The charter school movement, which began in Minnesota and has spread to California, allows entering teachers and others to start new public schools under contract, or charter, to a public agency. Its purpose is to invent a new kind of public school: innovative, flexible, and responsive to the special needs of students and their families.

Institute a nationwide system of school-based youth apprenticeship. For the half of our youth who do not attend college, America needs a comprehensive system for building the skills necessary to prosper in a new economy that is based on flexible, knowledge-intensive industries and services. Youth apprenticeships would allow high school students to combine classroom instruction and on-the-job training with a local business. Upon completion of a rigorous, three-year program of academic and vocational learning, students would earn valuable credentials certifying competence in their chosen occupation. Most of the costs of apprenticeship would be borne by businesses, which would also reap the benefits of a larger supply of well-trained and experienced workers.

Create a civilian GI bill. The new President should expand Federal aid for college through a new "civilian GI bill" that offers young Americans generous scholarships in return for community service. Eventually, voluntary national service should replace economic need as the basis on which the Federal Government delivers assistance to students. Under this approach, young people would perform a year or two of work in exchange for vouchers they could use for a college education, vocational training, or a down payment on a first home. National service would thus mobilize hundreds of thousands of volunteers to address America's pressing social needs, including illiteracy and other educational deficiencies.

I. CHARTER SCHOOLS: INNOVATION THROUGH CHOICE

At the heart of the school reform debate is a central question: Are our schools failing because we spend too little on them, or because of the way they are organized? In general, liberals have been inclined to view that our schools suffer from a lack of resources, while conservatives tend to see their problems as rooted in the political control of public education.

During the last decade, as the debate raged over school reform, the U.S. increased per-student funding in public schools by 36 percent (adjusted for inflation). However, we have little to show for this surge in spending. Scholastic Aptitude Test (SAT) scores rose a little in the mid-1980's but have declined ever since—and they remain below the level reached in the early 1960's. Scores from National Assessment for Educational Progress, a more accurate indicator of student progress, also show little or no improvement.

Crucial to our competitive ability, U.S. students rank in the bottom half of international tests for math and science. In only one category do they lead the world: the number of hours of television watched.

More resources are part of the answer, particularly in troubled inner-city school districts from Newark to Chicago. But the disappointing record of the last decade strongly suggests the need to shift the focus of the debate about improving our schools from spending to structure—to the way the enterprise of public education is organized.

Our public school districts display in classic form the overcentralization and bureaucratic rigidity that afflicts government in general. Their inability to adapt to new circumstances and to the public demand for improvement is rooted in the monopoly character of the system; in the assumption that public education can be offered only in the schools of the district. Parents have little choice over which schools their children attend. Many cannot afford to move or to pay tuition on top of the local property taxes. Schooling, anyway, is much the same everywhere. The reform in vogue today—decentralizing management authority from district to school—looks in the right direction, but is often more rhetoric than reality. Change and improvement will not really begin until the State withdraws the districts' "exclusive" and
affirms that it is okay for more than one organization to offer public education in the community.

Yet if conservatives have been right to focus on public bureaucracies that excessive monopoly control over education, they have picked the wrong solution: privatizing public education. For example, the Bush administration proposed offering vouchers to parents who want to enroll their children in private schools. While they may be justified as a necessary prod to public school improvement, vouchers in fact encourage parents to abandon the public schools. We cannot afford to leave education entirely to the vagaries of consumer sovereignty; that will only produce an educational marketplace stratified by class and race.

Universal public education is one of the great achievements of American democracy. Our public schools have been the principal catalyst for equal opportunity as well as a crucible for our common civic culture. They have been a great leveler of economic, social, and, lately, racial distinctions, as well as a conduit to economic opportunity and American citizenship for immigrants from the mid-nineteenth century to today.

We must save, not abandon, America’s public schools. At the same time, however, a reflexive defense of the existing system can only play into the hands of those who want to privatize America’s schools. There is another choice: harnessing the power of parental choice, competition and innovation to radically restructure our schools, while retaining their essentially public character.

The promise of choice lies in its ability to make public education a self-improving system. Government and blue-ribbon commissions may be able to identify systemic problems within our schools, but such outside groups cannot make a principal more entrepreneurial, a teacher more focused on achievement, or parents more involved in their children’s school. It will not work to hook up public education to an external life-support system of outside money and mandates. What is needed is a change of structure and incentives that will push public schools to improve on the basis of their own initiative, in their own interest and from their own resources.

An early and compelling prototype for public school choice was in one of America’s poorest communities: New York’s East Harlem. In the early 1970’s, in a radical move, New York had taken away the central office’s control over the elementary and middle schools. In 1974, the new Community District 4 in East Harlem ranked 32nd out of 32 such districts in the city. Only 15 percent of its pupils were reading at or above grade level. It then began letting educators create new, small, alternative schools which parents could choose. The results were dramatic: by 1982 District 4’s ranking had climbed to 15, with nearly 60 percent of its pupils reading at or above grade level. Math scores rose, as did daily attendance and the number of pupils going on to college. More than 1,000 students come from outside the district.

Seymour Fliegel, an architect of the successful District 4 experiment, explains: “A school is not a building. Students, teachers, ideas and learning are what make a school. And it is not uncommon in District 4 to have three schools in one building. In 1974, we started three alternative schools in a total of 20 buildings.”

Most significant: In the last year or two this movement to create new and more diverse schools has spread all across New York City, involving both other community districts and the “New Vision” schools created at the initiative of the central office.

**The Charter School Movement**

The leading edge of public school choice experiments today is the charter schools movement. As pioneered in Minnesota, charter schools are intended to speed the rate of change by making it possible for somebody other than the local school board to try out different and better forms of public education which students could choose, available where they live.

Charter schools seek to foster healthy competition within the public school system by enabling administrators, teachers, and even other groups or individuals to create new schools, chartered by the State, which compete for students and the public funds that flow with them. Charter schools follow the principles of public education. They may not have a religious character, or charge tuition; cannot pick and choose their students, or discriminate. Their charter is contingent on a set of publicly established outcomes. Thus, they are accountable both to the public—for meeting defined student outcomes—and to parents, who are free to remove their children if they are not satisfied with the results. In return for agreeing to be judged on their performance, charter schools are allowed to design their programs free of the regulations and rules that pass for accountability today. The State pays directly to the charter school an average per-pupil amount.

Since the idea first appeared in policy discussions in 1988, charter school laws have been enacted in Minnesota (1991) and California (1992). In 1993 they are like-
ly to be under discussion again in the legislatures of Colorado, Wisconsin, Tennessee, New Jersey, Massachusetts, and Pennsylvania.

Charter schools offer an alternative form of public education. They are not intended to replace the schools we have today. Their likely effect is to stimulate the existing system in ways that will cause districts to improve. They offer some reward for taking risks. The new schools will be small, so that mistakes, which will occur, will be small. They let parents and teachers volunteer for change. Most important: They let an innovation appear without having to secure the prior approval of those who will be threatened if it succeeds.

The districts will not like this pressure. As when any business loses its exclusive they will not want others offering public education within their borders. They will try to discourage this competition, saying “We can do this now.”

But without some real stimulus they don’t and won’t. The central problem with public schools was put perfectly by Albert Shanker, the president of the American Federation of Teachers (AFT), at a meeting in Minnesota in 1988: “This is a system that can take its customers for granted.” That’s true. Children attend where they live. Within each district only one organization is allowed to offer public education. Together, these “givens” guarantee the district its success—its customers, its revenues, its jobs, its security, its existence—whether or not the district changes and improves and whether or not the students learn.

“We have an organization without consequences for failure,” the new superintendent in Milwaukee, Howard Fuller, told the board at a retreat in August 1991, “where everyone is protected except the children.”

It is this guarantee of success that destroys the incentive to change. Practically nothing depends on whether the students learn. So, with what one close observer of public education describes gently as “weak incentives for the introduction of innovations that would cause internal stress,” the cards are, as another says, “stacked against innovation.”

Pushing for change upsets people. It might cause a strike, cost an election, or end a career. Unfortunately, there is nothing that requires kids’ interest to be put first. Principals who want to change their schools, but who are blocked, have nowhere else to go; parents and students have nowhere else to go; nor do teachers. Unless something quite unusual happens the students and the revenues will be there anyway. The system guarantees the districts their success and so invites adults to put their own interests first.

For a country that claims to be serious about improving its public schools this is an absurd arrangement. How can we expect teachers and administrators to make exceptional effort if we assure them their success whether they do or not?

This arrangement is unfair to those in education. It is wrong to give people incentives that are not aligned with the mission they have been given to perform. As Theodore Sizer says in Horace’s Compromise, “The people are better than the system.” The present system has the structure of reward backward.

Changing the incentives in public schools cannot be done by Federal legislation. Congress can add money and regulations. But, as we’ve seen in the last decade, when per-student spending has increased and performance has declined, that won’t work. The problem with public education. It is in State law. It can be changed only by changing State law. Correcting the reward system is the obligation of the State. It’s the key to educational reform.

However, the new President has an opportunity to take the lead in activating the process of State law making. Nothing in the Constitution requires him to make proposals only to Congress, or prohibits him from making proposals to the States. A progressive agenda for reinventing government may in fact depend on connecting the national leadership to the power of the State legislatures over the organization of major domestic and urban systems, including, but not limited to, public education.

In addition to the bully pulpit, the new President can use the leverage of Federal education aid to promote public school choice. he should support a proposal by Senators David Durenberger (R-MN) and Joe Lieberman (D-CT), which would permit the States to use Federal education grants to set up charter schools.

Charter Schools vs. Vouchers

The purpose of choice is to create a new form of public education, not to finance private schools or to transform public education into private education. For too long, advocates of public and private schools, and the ideological arguments on the Left and Right, have assumed the country had to choose between sending checks to superintendents or sending vouchers to parents. Not so: There is a third way. It is possible to introduce the dynamics necessary for change and improvement into the public education system while still retaining its essential principles, and the values
of opportunity, diversity, and community that are so important to this democracy. Private education should remain and will remain; but as private education, privately financed. Our concern is with public education.

The charter schools do not drain funds from public education. They do reallocate dollars within the community, between existing schools and the new schools. This reallocation is essential to produce the new programs people want. In Minnesota deaf children in the Twin Cities area will have a new option: a day school in the area using American sign language; an alternative both to the State residential school for the deaf miles away and to schools where they cannot talk to their classmates.

Sometimes the new schools do not become charter schools. In one district in Minnesota parents had been pressing for a district Montessori option. The administration said it couldn't find space, couldn't find teachers, couldn't see how to handle the transportation. "Give us a charter and we'll solve those problems," the parents said. Quickly the administration decided it could answer those questions after all. "Fine," the parents said, "that's all we were after." The new Montessori school opened this fall.

Opponents of choice also argue that it can only yield results after we equalize resources among our public schools—that a choice between two underfunded schools is no choice at all. While it is true that many of America's schools are underfunded and physically run down, the experience with District 4 in New York suggests that choice can bring about radical improvement in precisely these schools. And it may well be that as these schools improve their performance under a charter school approach, they will have more success in making the political case for additional funding.

The charter idea, therefore, can deliver the benefits of choice without bankrupting the public schools, as a voucher system could. Perhaps that is why polls show support for public school choice at two to one. Significantly, support is highest in the big cities, among people of color, among younger people, among people who have only high school educations and families of average income.

Teachers would also benefit greatly from charter schools. They are hurt as much as the kids by the obstacles to change. They know there are other and better ways for students to learn. Some will be willing to take the risk involved.

Schools organized on the public charter model could change the reward system for teachers dramatically. Such schools could be provided with a fixed sum of money, given the freedom to run their own instructional program, and allowed to keep whatever they do not need to spend. At the same time, they would be held accountable for results. This would provide a powerful incentive to adopt more economical and effective ways of learning. The teachers' success would be connected to the students' success.

In a real sense, of course, every State has a "choice" plan in law today. Nobody has to send their kids to the schools where they presently live. They can pay tuition to private (or to public) school. Or they can move and pay no tuition. Lots of people do this. All it takes is money. Choice exists—for those who can afford it. This deeply inequitable arrangement has turned public education in our big metropolitan areas into a system stratified by income and race. Those with little income have no choice. We should and can design a better plan, using public resources to offset the private inequalities and to enhance diversity.

The problem has been that—until recently—proposals to modify choice have been designed to provide funds for students to use in private schools. Governor Rudy Perpich's effort in Minnesota in 1985 changed that, opening up choice among public districts only. But this implied and required travel, since the other district is always in some other place. And—except for the option that lets tenth and eleventh-graders in Minneapolis (for example) finish high school at the University of Minnesota—it did not provide the dynamics that come from new choices in children's own communities.

The charter idea resolves this problem: New schools, free to try new forms of learning, operated on the principles of public education, located where the children live.

The CHAIRMAN. Senator Metzenbaum.

Senator METZENBAUM. I am very delighted to welcome you to our committee this morning, and I want to say that I feel a sense of excitement and enthusiasm, because sometimes there is a problem and you don't know what to do with it, and you don't have the answer. Frankly, I don't know you as well as some other members of the committee, but I have met with you and I have read about you,
and I have the feeling that you are the person of the moment, and if ever there was a need for a person of the moment to step forward and take on the challenge, you are it, and I think you will be a hands-on Cabinet member Secretary.

Other nations are getting ahead of us, no secret about that, in the areas of education, and we are slipping behind with respect to education in the field of math, science and so many other areas. Our workers are going out into the field to get jobs and they are lacking the skills. Some of them are illiterate, which is incredible in this day and age, to have the degree of illiteracy that exists in this country, and yet very little is being done about it and has been done for the last many years.

Your opportunity is unlimited, the challenge is great, and I think that you will fill a void that very much needs to be filled for this country.

I was very pleased to hear you respond to Senator Durenberger with respect to the matter of choice, particularly with respect to the matter of using public funds for private and parochial schools, which I strongly oppose. I think your answer was very specific on that subject, and your record is very clear on it.

Now, with respect to another aspect of your previous activities, I strongly believe that parental involvement is one key to ensuring success in the schools. We can see this in the Head Start program, where the strong emphasis on parental involvement is clear and is an important element in the program's success.

I know that you were involved specifically in this area in South Carolina. Can you give us your thoughts on what makes for good parental involvement in education, and if there are any specific actions which you believe we can take to help local schools enhance the involvement of parents?

Governor RILEY. Senator, I thank you so much for your statement. I do think, as I said earlier about this ownership factor, that the most important thing is for parents to realize the importance of education. Now, that is no problem for lots of parents.

Unfortunately, we know there are many neighborhoods, there are many areas of this great powerful country where parental involvement does not take place, for a number of reasons. Parents may not have had the opportunity to receive an education themselves, and they may want their children to think that education is not terribly important, subconsciously, even.

We have pockets or regions where getting parents involved in schools is a problem of understanding the importance of future difficulties that arise when children do not have an education. The same thing with health care, taking a child to a clinic, some parents—Gail Sheehy, in one of her books, talks about the poor people's ability to anticipate problems, because they are worried about paying the rent, they are worried about getting food on the table and getting bus fare.

So we have areas of this country, also the immigration situation and kids moving into a region where they feel like their language is different and they have to get accustomed to it. We have all of these things taking place in this wonderful country, potential strengths that I think we can develop and can bring into making us even stronger.
I will tell you, if we turn our heads on it, we are going to be in serious trouble. We have got to get parents involved, as Bill Clinton says, have this ethic for learning. The type of involvement is awfully difficult for some parents, but that is probably the most important factor, in my judgment, for early childhood development—for kids going into the first grade, for attainment of the first goal of the national goals.

So, if we can develop in parents this ethic for learning, a belief that parental participation is the most important contribution to make to their child's future—including participating in their school, knowing their teacher, talking about their problems—we can have a tremendous movement in this country. This is more important than anything else we are talking about in terms of education.

Senator Metzenbaum. Mr. Riley, one of the toughest questions facing the school systems of this country is trying to convince the community to provide the necessary tax dollars in order to keep the schools open. At the same time, there is a counterforce that is occurring in the country, and that counterforce comes about by reason of the largest corporations in America, some of which are the wealthiest corporations in America, coming to South Carolina, to Ohio, to California, to Utah, wherever, and saying we will locate our corporation in your community, if you will give us tax exemption. And understandably, community after community joins in this race to the bottom and, as a consequence, the educational system of this country is getting clobbered by the loss of those tax dollars from some of the major corporations of America.

I do not blame the corporate executives for making those moves. It is part of their responsibility to try to operate their company at the greatest amount of profit. I believe very strongly the only way we can deal with this issue of corporations getting tax exemption better in one area than in another, and leaving one community for another by reason of the tax exemption, is by Federal legislation.

I spoke with you about this when you were in my office. I think the legislation should be specifically directed at tax dollars for education for the schools. Are you prepared to work with us to see if we can bring about some changes in that which is the present situation concerning this matter of tax abatement, tax exemption?

Governor Riley. Senator, let me say in the beginning, when I was Governor, I worked hard for economic development. I don't think any Governor worked any harder than I did. But I never ever told a business leader that I wanted them to come to South Carolina to get cheap labor and cheap land. We have outgrown that; and, that is what this education improvement is all about. We are trying to get people who are expanding and growing and vibrant companies that are hunting for other places to do business.

The point that you make is a good point. The way we handle it in South Carolina is we give certain incentives, and that is perhaps something we should look at as a region. In terms of the Southeast, I have observed as Governor, that Georgia, North Carolina and Florida competing with each other was not the best way to direct our efforts.

But the fact is, in South Carolina, we have certain incentives in terms of tax abatement. We exclude the school taxes across the
board. They are paid for from day one. That is in the State law and that is a State decision.

Now, you are asking about a Federal law that would require a similar situation to what we have in South Carolina. It would appear to me there might be some constitutional problems with that and maybe some desirability problems, because I am a strong believer in States controlling their own destiny in terms of education. But I certainly would be a proponent for a State taking that same position and exempting education from any tax benefits.

I have never heard of an industry or an enlightened business leader, I have never heard any of them complain about that. They understand that their future is dependent on having good education and they don’t mind paying fair education taxes right along with everybody else.

Senator METZENBAUM. I will return to that subject, because I feel very strongly that some areas have not been as enlightened as South Carolina and have provided tax exemption for the schools. In fact, I would guess, without having made a check, that the overwhelming majority of communities provide total tax abatement, including the school dollars, and I think I can draft something that is constitutional, and I look forward to sharing my thoughts with you and see if we can get you on board.

Governor RILEY. Thank you, Senator.

Senator METZENBAUM. Now, schools in our large urban centers face an alarming array of problems, inadequate financing, deteriorating buildings, lack of adequate teaching materials, violence, substance abuse and other problems stemming from poverty.

Across the country, parents, teachers and administrators in urban school systems are struggling to address these problems and improve the quality of education in our cities. Do you have any thoughts as to which the Federal Government can work with urban schools and poor rural schools, as well, to help them with their efforts to improve and provide their students with a fair chance to succeed in life?

Governor RILEY. Senator, that is a very broad question that would require a very broad answer, and I would say this, that that is one of the more serious issues facing this country now and it is impacted by all the problems of depth out there.

An urban education policy is something that I think all of us ought to be looking at. Again, it is local control, it is State control, but certainly if you have disadvantaged young people, just like if you have disabled young people, if you have people who are part of this country and have special problems not of their own fault, then certainly it has been felt in years past that, through Chapter 1 and through other Federal programs, that the Federal Government could participate in trying to have a level playing field in the field of education.

I think that is extremely important and I am extremely interested and would begin immediately, as Secretary of Education, to get into the depth of the urban school problem. You have within an urban area many examples of wonderful schools that work well and do a tremendous job and parents are involved, even though it is poverty and poor kids, and right near there you have a situation
where drugs are prevalent and the safety of the young people is a lot more important than learning Shakespeare.

I cannot imagine anything being more important to us who are interested in education than to see that the young people of this country have a safe drug-free environment in which to learn. That gets into this urban problem and not just there, obviously, but I would certainly work with you and with others to try to develop whatever plans we can to deal with this very critical American problem.

Senator METZENBAUM. Thank you very much. My time is expired, Mr. Chairman.

[The prepared statement of Senator Metzenbaum follows:]

PREPARED STATEMENT OF SENATOR METZENBAUM

Mr. Chairman, it is a very real pleasure to join you in welcoming Governor Richard Riley to the committee today. I had the opportunity to talk with Governor Riley at some length last week, and I was most impressed with his background, his expertise, and his commitment to education.

I think we can all agree that improving our educational system is one of the most critical challenges confronting our Nation today. We are all aware of the many problems faced by our schools. As the number of children living in poverty has increased, many children do not start school ready to learn. Our students are falling behind those of other nations, particularly in math and science. Our dropout rate is far too high, and employers report that workers lack the necessary skills to succeed in the workplace.

Clearly our Nation needs strong leadership if we are to meet these challenges and ensure that all Americans have access to the high quality education they will need to compete in the changing workplace of the future.

President-elect Clinton has made it clear that he intends for education to be a top priority in his administration. In Governor Riley, he has chosen a nominee with a long-standing commitment to education and a distinguished record of accomplishment in the field. As Governor of South Carolina, he was acknowledged to be a leader in education reform, initiating what was widely regarded as one of the most comprehensive and successful education reform programs in the Nation.

I believe Governor Riley can provide the leadership necessary to give education the prominent place it deserves in our national agenda. I wish him well, and I look forward to our discussion with him here today and to working with him in the months ahead to ensure that all American students receive the top quality education they need to meet the challenges of the 21st century.

The CHAIRMAN. Senator Coats.

Senator CoATS. Thank you, Mr. Chairman.

Governor, I welcome you. We had a good talk in our office and we appreciate your commitment to serving our country in this position, and also the significant experience you bring with you as a true education Governor, so we look forward to working with you and discussing issues that hopefully will bring about some real improvements in our education system.
I would like to follow up on the choice question with some comments, and then I have two specific questions for you. In your opening statement you indicated that you want every student to have access to a quality education which allows them to pursue any career they wish, and that giving the students the best education in the world is a moral imperative and especially an economic necessity. And I would agree with that point.

But I really wonder what we tell an inner-city mother or a low-income family or even a middle-income family, most living in urban areas, who feel that they don't have the opportunities that some of us have to provide our children with a quality education. When parents are not pleased with the choice or the limited choice or perhaps no choice that is available them, those with the financial means are able to send our children elsewhere.

I wonder if we really can promise them we are going to meet that moral imperative and provide them with the quality education they feel is best for their child, without giving them a choice of where they send that student to school. Because the reality is that many of our schools, are dead ends for students. They don't provide quality education. They are consumed with problems outside of the educational criteria that many parents would want their children to be engaged in.

Now, you have stated your position, and I think it is clear that the Clinton administration has taken a strong stance against expanding choice beyond the public school system. I challenge the assertion that public money shouldn't be used to send children to private schools. After all, public money is nothing but money derived from the pocketbooks of taxpayers. It is the hard-earned dollars of low- and middle-income people, and it seems to me that we ought to offer them the opportunities to utilize their money in a manner that they feel would provide their children with a quality education.

But having said that, it is clear that if Secretary Alexander, who made choice the centerpiece of his education reform under President Bush, was unable to accomplish that within an administration that was favorable to it, we are certainly not going to be able to accomplish this goal in this committee or during this Congress. It is clear that the educational bureaucracy are not going to allow this to happen.

So, then, I have two questions: No. 1, do you think it would be possible for you to support some type of demonstration program, whereby we would provide a limited amount of grant money to jurisdictions or educational systems that voluntarily agree to participate for, say, a two-year period of time, after which we could monitor the results?

If the fears of those who oppose choice beyond the public school system proved to be realized, then we would have empirical evidence that choice didn't work. But if there was measurable success, perhaps we could use that as a model for designing a broader program, that would address the concerns of those who don't support choice.

Senator Hatch offered, and I joined him in offering, an amendment last year, which called for just such a demonstration. I think it was just six sites and a very limited amount of money. It was
defeated soundly. But don't you think it would make sense to at least try it, to prove once and for all whether all these editorial writers, educators, and other choice advocates are right.

My second question is, if that is not possible, couldn't we at least study what it is about private education that so entices parents and students to choose, often at great financial and personal sacrifice, a private school over a public school?

Now, I am not talking about a prestigious suburban private school. I am talking about choices that parents make to send their kids, for example, to inner-city parochial schools—inner-city schools that don't begin to have the facilities, the teacher salaries, or the administrative resources that public schools have, even some of our poorest public schools have.

We need to examine what elements are present in that private education that aren't present in public education. Once we determine what those are—maybe you know what those are—can we then at least try to incorporate those in public education, so that those who don't have a choice will at least have some assurance that their children will be receiving what those who can afford to get outside the system are receiving?

Governor RILEY. Well, you have several aspects to your question, Senator. Let me see if I can deal with them. First, I think that anything that any school, anybody, public or private, is doing to help education is worthwhile, and I favor all of that. I don't disfavor any effort to improve education, hunt for a better way to do things, whether it is in math or science or the arts or whatever. So I encourage an openness of involvement in activity and new ways and new thinking and in reform-minded educational improvement.

I have thought about the public-private situation a lot, and I am absolutely convinced that the bottom half of the economic sector of this country would be terribly diserved to pull large amounts of dollars out of the public education system and go then into support of certain private education systems.

Senator COATS. I understand that, and I understand that is the position of the administration. But my question is could we just try it to see whether or not those fears are well-founded?

For instance, I have a sizable city in Indiana, in which the public school system works very well with the local parochial school system. Both have agreed that if there were a demonstration program, they would be eager to act as a test ground to determine whether or not these fears are founded. Would that not make some sense to at least try it?

Governor RILEY. That certainly sounds like a reasonable request, and I would hate to be dogmatic in my answer, because that is not my style. But, I would say that if I personally absolutely believed that it would be bad for the public education system to go into this new method of funding, shifting funds to the private schools, if I think that is going to be bad for the public education system, I don't think it is proper for me to say that a test program or a pilot program or anything else would be worthwhile.

Now, I think this: I think there is some real benefit in the concept of a feeling of some competition within the system. Therefore, I feel that the choice concept within the public school framework is worthwhile and very good. The idea of having a special effort of
a special school could fall under the charter school concept. As Senator Durenberger discusses in reference to Minnesota, I think you could get the same benefits of competition and of innovation within the umbrella of the public education system and make that work very well.

Senator COATS. OK. I just personally don’t understand why we might not want to at least test the other, to see whether or not the proponents of choice are right, partially right, or whether the opponents of choice are right or partially right. It just seems like an experiment worth undertaking, particularly on a voluntary basis. It would then give us some empirical evidence to study as a committee, to determine how we reform the system.

We keep talking in terms of the educational system, but we don’t talk in terms of the students and the parents. It is clear that students and parents are crying out today for more choice, but they are not getting it.

I guess my final question, because my time is running out, is if we are not going to do that, can we identify what it is that some of those private schools are offering that entices parents to make tremendous financial sacrifices to send their kids there.

Let me just give you one example. There is a parochial school in Indianapolis that is only able to spend $1,600 per student per year. That is a third of what the public school system spends. They have a dilapidated building; their teachers are underpaid; and you can count the administrators on one hand. Yet, there is a phenomenal waiting list of parents who want to send their kids to that school.

It makes sense to me to examine what this school is doing, at $1,600 per pupil, that the public school in the next block is unable to provide, despite the fact that it is spending three times the amount for money. Could we study what that parochial school is doing, what are the elements that cause parents to say I will do anything I can, make any sacrifice I can to send my student there, realizing that the expenditure per pupil is a third of what they would get if the kids walked across the street to the public school?

Now, there is something radically different between those two schools. It seems to me we ought to determine what it is, and if we are not going to allow parents a choice or help them pay for it, then we at least ought to try to take those elements and try to inject them into the public education system, to make the school a viable school.

Governor RILEY. Well, I will certainly advise anyone in the Department of Education who is doing research on what makes schools work better to look at all attempts to provide good education. For instance you see situations as you described in private schools, and you also see it in public schools. Within the same area, you will see a public school that has that same reputation, the same kinds of results orientation, and there you have this sense of the importance of learning. You have a disciplined situation where you can learn well. And that is not peculiar only to private schools. You see many, many public schools that have the same characteristics.

But, you know, I applaud a private school that works well, whether it is religious-connected or purely private. That is a positive plus to our educational system. I would certainly advise my
people to look at everything that is done and try to advise them, the State and local school districts, what they find works best.

Senator COATS. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. I was interested in your last comment, Governor, because in my own city of Boston we have Tobin and King Schools in Cambridge, where parents are dying to have their children; Garfield School in Revere, which I visited 3 weeks ago has a long list of people attempting to get in, really one of the very, very interesting schools; and Mason and Timely Schools in Boston which also are exemplary.

I just want to point out, Mr. Secretary, you can't do anything anyway unless the law is changed. The bill 57–36 was defeated last year. My good friend from Indiana may offer an amendment, and then if that is the law, we will have to deal with it. But, quite frankly, you are restricted in what you are able to do just at the outset, so that all of us understand it.

Second, I hope that you would mention to our friends, we have had the school choice in Cambridge, MA, and it has been extraordinarily successful for 10 years. Anybody who wants to study it can go up there and study it. It has been extraordinarily successful. But I am sure you have read the Carnegie Commission report by Ernie Boyer, then a Commissioner, what would be a Secretary of Education, that talks about the disaster in terms of my own State. So we all have been through this debate and discussion. I think we know what is necessary for good schools. It is good teachers, discipline, strong leadership, involvement of the parents, and strong academic standards. You have outlined it. They have been the basis of your program. So we are interested in your responses, and I just wanted to make the record clear as to where we were.

I am going to recognize on the basis of seniority. Senator Dodd also has a hearing with Secretary-designee Cisneros at the Banking Committee. We will try to accommodate, if there are conflicts, on confirmation hearings. Senator Dodd will be recognized.

Senator DODD. Thank you very much, Mr. Chairman.

I apologize, Governor, for not being here at the outset, but your future colleague in the Cabinet, Henry Cisneros, is before the Banking Committee this morning.

I am however delighted to welcome you and would ask, Mr. Chairman, that my opening statement be included in the record.

[The prepared statement of Senator Dodd follows:]

PREPARED STATEMENT OF SENATOR DODD

Good morning, Governor. It is a pleasure to welcome you to our committee and my congratulations to you on your nomination. And my compliments to President-elect Clinton on this excellent nomination. I think it would be nearly impossible to find an individual more qualified or with a record of such success in education reform than you, Governor Riley. In this regard, I look forward to supporting your nomination and your work at the Department of Education.

The challenges that we face in improving education in America are clearly great. Too many children go to school hungry and too few graduate from high schools with marketable skills. Even in my home State of Connecticut, which most picture as filled with the
privileged and influential, one out of every five children under the age of six lives in poverty. In 1991, over 3,000 lived in homeless shelters and 94,000 had no health insurance.

Just last week, I had a letter from the New Haven Board of Education about the Clinton Avenue School—a magnet school dedicated to preparing students for the multicultural workplace of the 21st century.

No one would be surprised that a school board would write their Senator about their magnet school. But this letter says much about the conditions of schools in America today. The school board wrote asking for help—they asked, not for fiber optics or an advanced film lab for their magnet school, but instead for help in repairing numerous leaks in the classroom ceilings, for paint for water-damaged walls, for a library, for separate bathrooms for the boys and girls, and for text books with bindings intact.

Governor, too many schools across our Nation have this same wish list. I can think of no issue more critical to our Nation's future than the quality of education for our children. And it is clear that we are failing all too many of them.

Before we hear about your plans for the Department, I would like to share with you some of my special concerns—ones that I hope will also be important in the Department of Education.

Our Nation's first educational goal states that by the year 2000, all children will start school ready to learn. Yet in 1991, 35 percent of kindergarten students came to school unprepared to begin learning, according to a survey by the Carnegie Foundation. In some States, as many as one out of five children have to repeat first grade. In the past, the education department has not taken the lead role in early childhood education because the Department of Health and Human Services has primary responsibility for this age group. I hope, given that ultimately these children's problems are the problems of our Nation's schools, that you will take an interest in this area and work with the Department of Health and Human Services to assure these children are served.

We must also renew our commitment to equal access to quality education for all our children. My State is currently embroiled in a court battle with parents of children in Hartford, who make the case that Connecticut schools are segregated by race and income and that many children, especially those in urban areas, receive an inferior education. It is clear that inequities exist across district lines in my State. Just last week, in recognition of this problem, Governor Weicker proposed a reform plan to integrate Connecticut Schools. While it is not clear that there is a Federal role in this matter, clearly we must renew the Federal commitment to a quality education for all children.

Finally, there is an issue that you are likely to hear much about—management at the Department of Education. Several months ago, a grant for $6 million was awarded from the Secretary's fund for innovation. Many applied and I am sure the applications were of high quality. However, after a study by the General Accounting Office, it is clear that process of awarding this grant was deeply flawed. I know you have not had the opportunity to review this particular case for the Department's management, in gen-
eral, but I hope you will look at it closely, and put improving management at the Department near the top of your agenda.

Once again, I appreciate your being with us this morning. I look forward to exploring some of these important issues with you during the question and answer period and to working closely with you to address some of these pressing problems.

Senator DODD. Your nomination as Secretary of Education is truly a fine tribute to Bill Clinton. Your credentials in this field do not need seconding from those of us on this panel; they speak for themselves. And we are truly honored in this country that you would take on this responsibility.

I am just going to ask a couple of questions, if I can. I know my colleagues are going to cover some other ground.

Head Start is a program that is administered by HHS and not by the Department of Education. However, our Nation's first educational goal for the year 2000 is that every child start school ready to learn. And so clearly the issue of Head Start, while it is not in your jurisdiction directly, is an important consideration. We know today the staggering problems of children entering an educational system many with serious developmental problems.

I think I mentioned in our conversation last week that I have a sister who teaches in the largest inner-city public school in the State of Connecticut as an early childhood development specialist. And it is staggering what has occurred with these young children in the last few years. It used to be that three or four children might start school with serious developmental problems; however, she would tell you, were she here, that today she is lucky to have two or three who don't enter the system with serious developmental problems.

I know you are going to be working with Secretary-designate Shalala on these kinds of questions, as I know you have a great deal of interest and involvement in these issues. In this regard, I would be interested if you might take a few minutes and share with us some of the things you would like to see happen in these next 4 years, which, in my view, the absence of doing jeopardizes everything and anything else you want to do from K through graduate school. If we don't focus on the issue of early childhood education and development problems, then it seems to me every other problem we face in our educational system is in jeopardy.

Governor RILEY. Senator, I thoroughly agree with you. I think my record would reflect that if there is another chief interest that I have had in my public and private life other than education, it has been really maternal, infant, and child health and how those developmental areas connected to health and nutrition play so heavily upon the capacity of a 1st grader's ability to learn.

My State had a history of a large percentage of our people who were discriminated against in a lot of ways. Other areas could say the same, I am sure. So many parents in our area really did not have the opportunities to have a good education, and there were many people who were poor and struggling to make it.

We had then a large percentage of our children who came up in a difficult situation. We found, in the elementary, middle school, and high school years, the great need for basic skills work in the
EIA. That was our first goal, to try to help these young people get a basic education foundation.

The time to do that is when they are 1 year old, 2 years old, 3 years old. Parents are the child's first teacher and most important teacher. Anything we can do to help and promote parents to work with their young people, that is ten times more important than helping a child in the 10th grade.

I strongly support all those efforts. The Head Start program has been a very successful program. I think it is especially successful in my State because we pay careful attention to it. That, as you point out, is under HHS. As we were talking about Labor earlier and the apprenticeship program, I will pledge to you to work closely with Donna Shalala and HHS and have my Department work closely with them to see that the component of Head Start and the early childhood health and the WIC program in Agriculture, that we work closely with them to see that these kids are ready for the 1st grade. I think that should be the first goal, and it is.

Now, I have just had to resign the chairmanship of a task force with the Carnegie Corporation in New York dealing with children 0 to 3, meeting the needs of young children, really helping them be prepared for the 1st grade. It is a special interest of mine. And the disabled children that you mention, they need as level a playing field as is possible to give them. I would always be very sensitive to every part of disabled problems for children, but disabled children are very close to me.

Senator DODD. Thank you very much. I am grateful for your response this morning.

Let me go quickly to another area. I try in my own State to speak in a public high school once a week. I have spoken in virtually every public high school in my State in the last 10 years. Yesterday I was at the Valley Regional High School and last Friday at East Hartford High School, visiting with juniors and seniors.

My Governor, Lowell Weicker, in a State of the Union message recently highlighted what is a problem in our State in terms of equity in education. Let me just share some of these statistics with you. We in Connecticut have a population of some 25.7 percent of minority students in the State of Connecticut, and I suspect that the statistics in my State are not dramatically different from others. Eighty percent of those students live in 18 urban school districts. Bridgeport has an 86 percent minority enrollment, New Haven 82 percent, and Hartford 92 percent.

Governor, as I have gone around my State, I could literally walk blocks, literally 20 blocks, and go from a public high school that would dazzle you, absolutely dazzle you, a campus that would rival a college in terms of the facilities, and the ratio between students and teachers, the language labs, and the athletic facilities. And I can literally take you for a walk, literally a walk to a high school in Hartford or Bridgeport or New Haven where the facilities don't even remotely come close to what is being offered blocks away.

There is a case pending in Connecticut, and I wouldn't expect you to comment on the case specifically, but it has received some attention, Sheff v. O'Neill. Governor Weicker has commented and asked our local communities to try and come together and start to
deal with the inequity issue. Obviously, quality is critically important.

I wonder if you might share with us this morning what role you think the Federal Government should or could play in the issue of equity, because I believe the situation in my State is not dramatically different than in other States.

Governor RILEY. Well, that is a serious problem to deal with. It is very difficult to deal with. When I was in the State Senate in South Carolina, I guess in the early seventies, I introduced the first resolution that dealt with this issue of unequal spending. The Serrano case and the Rodriguez case had just come out at that time. Of course, some of these issues have shifted over the years.

I was impressed with the content of those cases and set up in South Carolina the mechanisms wherein we developed an educational act which attempts to equalize our various school districts in the State. We have State funds that, of course, go back to the school districts, and the wealthy school districts get a percentage of funds and the poor school districts a percentage of funds which varies according to condition.

It isn't perfect. It doesn't equalize all across the board; but it is an equalizing mechanism that certainly works well and is fair.

Now, what you do about a school district line where you might have a power plant on the line, people on one side of the line have a very poor school district, and then where the high assessed value is on the other side have a very well-to-do school district. Those really are problems, I guess, that need to be faced and looked at on the State level.

Kentucky, of course, faced it through a court decision. I don't know in terms of the Federal Government, as far as controlling those things, whether that is advisable or even if a mechanism could be determined other than providing information for the basic fairness of equal support for education and the importance of it.

I don't know any easy answer where, again, there is a silver bullet to all of a sudden equalize. I don't think that is there, and our system is much more complex than that. But, I certainly would urge in every way that I could a spirit of trying to equalize the basic tax structure within a State.

Senator DODD. It is the tax structure, I agree, and the equalization formula is important. However, in addition to the unequal funding, there is also the question of equity, where my concern is here—the staggering disproportionality that exists between the minority community and the majority community as represented in our schools. Abraham Ribicoff used to say it well: It's not so important what happens when you get on the bus, but when you get off the bus. And I don't disagree with that statement.

But it is critically important that we understand that we have an explosive situation emerging, that is if we don't begin to talk about it and address it—and, I get a sense that a lot of people don't want to talk about this because it conjures up memories of times past. Ninety-two percent of a minority student population in Hartford, with communities just next door with few minority students and close to those numbers elsewhere, is not a healthy situation. That is looking for trouble, in my view, down the road.
Now, how you address it, whether it is by a court order or by communities getting together and trying to figure out a way to do this so you avoid the tension that has existed in the past, but it is a critical question. Absolutely a critical question in terms of our society's ability to raise a generation that can understand those differences and work together as people with common goals.

Governor RILEY. Well, let me make one other comment. I thoroughly agree with you, and my State has a large African-American population, over 30 percent, and a large school population.

When we got into the work of the Education Improvement Act, it involved everybody, and we had black parents and, of course, very active involvement of teachers, principals, superintendents, business people, and everyone.

We created then a separate budget for the EIA funds which were funded on a penny sales tax on top of the basic budget. It is a separate budget in the legislature, and then it is used to provide what is needed out there to add to the basic structure of education.

One of the real needs we had then were basic skills. A large part of rural white and black kids did not have an opportunity to have a good education. So, those funds were disproportionately used by the State to try to equalize. In some cases, kids in a high-risk area would be 6 children to a teacher. We tried then to emphasize those special needs that you are talking about, and I think with proper leadership in this country we can make a difference. We need to get the States and the communities to tune into the fact that you need funds identified on the State and local level to deal with these special problems, because they are going to worsen, and then they all of a sudden become the problem.

So, I thoroughly agree with you and would do all I could to try to provide leadership in that direction.

Senator DODD. Well, Lord knows you know how to do it, too. My time has expired and Mr. Chairman, I won't take much more of the nominee's time. However, there is a local issue, and, in fact, one that impacts as well on the chairman of the committee. It has to do with a grant last year from the Secretary's Fund for Innovation, 106 applications from around the country went through a peer review process. I have a strong interest because the peer review said that the proposal from Connecticut happened to have been the best. Massachusetts and Pennsylvania came in second and third. While our proposal was statewide, our grant ended up going to a school that has 250 students in it in Texas about a week before the election.

The CHAIRMAN. It completely undermined the peer review process.

Senator DODD. There is a GAO review out and I will send you a note on it. I won't ask you to get involved in it here today, but I want to let you know it is coming, and it is one that I am going to watch very carefully. I really care about it a lot.

The CHAIRMAN. I would second Senator Dodd in reading through it. It really circumsieved in the most callous ideological way the results of the peer review process. I won't take your time, but I appreciate the Senator raising that issue.

Senator Gregg.

Senator GREGG. Thank you, Mr. Chairman.
Governor, you have certainly had a lot of good questions today and a lot of good discussion. Having just come out of the governorship myself, I have a lot of respect for what you did and your efforts also in working with the National Governors Conference.

I would like to ask you a few specific questions. Do you support going to a longer school day?

Governor RILEY. I was involved, in our reform in South Carolina, in having more time in the day spent on learning, and it amounted to probably what would be close to about an hour a day additional classroom time.

Now, I don't have any fixed view, Senator, on a longer day. I am concerned a lot about young people, especially in high-risk areas where they have no supervision in the afternoon, often working parents and that kind of thing.

The idea of getting the most out of the school system for the children is one I would always entertain. We talked of the summer months, and that is a similar kind of problem as to a longer year, school year.

Senator GREGG. I would like to talk about that. The Japanese have a 240-day year, the Germans 220 days. I think the Swedes have 220 days. I think the English have about 210.

Do you think we should go to a longer school year? We are no longer an agrarian Nation. Eighty-five percent of our people are not involved in agriculture.

Governor RILEY. Well, in both of those questions are issues that I would not discard without consideration. As I have said, anything that I am shown, regardless of who shows it to me, that I think is going to be better for children, I would take a close look at and would probably support.

What we did is try to make better use out of those summer months, and that is just make summer school meaningful; and for young people who are having trouble in math or science or whatever, to give them a real meaningful summer school experience to beef up their next year's activity.

So, I think we do need to make better use of school buildings throughout the day and throughout the year and make better use of our ability to educate. However, I don't have any fixed views on specifically longer days or longer years.

The CHAIRMAN. If the Senator would yield, he may be a soul mate with our good friend and colleague from Rhode Island who has been talking about this issue for the 30-odd years that I have been here. And there has been established the National Commission on Time and Learning to study this very issue. I think it is going to report back in the next several months. He just showed me something I already knew. In his pocket is a list, which he always carries with him, of every Nation in the world and how long their young people go to school and how many hours in school. But I appreciate the Senator raising it because it is an important point.

Senator GREGG. It is a pleasure to join the Senator from Rhode Island on that issue.

Senator PELL. Senator Bingaman feels very strongly on this issue, too.
Senator Gregg. Well, it just seems to be logical, you know. If children in Japan go for 240 days, that is probably why they are doing a little better on those tests.

I was wondering about another issue that we address quite often in New Hampshire, and that is the issue of alternative certification, bringing qualified people into the classroom who have life experiences that can add to the richness of a student's education. Do you support alternative certification and allowing those types of folks who may not have education degrees and haven't gone through the professional curriculum of education to come into the schools and teach?

Governor Riley. I do, under careful designation. The way that we handled that in my State is we identified critical need areas, whether they were math or science or chemistry, foreign language or whatever. Then we would permit an alternative certification for a period of time. I forget whether it was 1 year or 2 years.

During that period of time, that person could take courses in the evening and so forth and get some of the education instructional background. I do favor it under careful description of such an alternative.

Senator Gregg. Good. So you might support demonstration grants in that subject, then. In South Carolina—

The Chairman. It is already in law, Senator. We passed that as Chapter 5 of the Higher Education bill, $25 million in grants to go to States that want to develop alternative programs.

Senator Gregg. And did Connecticut get one of those?

The Chairman. It hasn't applied yet.

Senator Gregg. In South Carolina, how many towns are there that have two public high schools? How many cities or towns in South Carolina have two public high schools?

Governor Riley. That have as many as two?

Senator Gregg. Right; in other words, have more than one public high school.

Governor Riley. Dozens and dozens. I don't know—I never have taken the time to count them, but a great many.

Senator Gregg. Well, maybe South Carolina is different than New Hampshire, then, because in New Hampshire, we only have one city that has more than one public high school. Most of our cities have a single public high school. And I suspect that is true of most rural States, that the communities are not large enough to support two or three public high schools, and as a result, the concept in those States of choice within public high schools is really illusory, isn't it?

Governor Riley. I think that's mathematically clear. [Laughter.]

Senator Gregg. That being so mathematically clear, then, it would be equally clear that if you are going to have choice, you are going to have to do something other than have choice within public schools.

Governor Riley. Well, in talking of high schools, for those areas, again, you could have a charter school concept, I am sure, developed if that were approved by the district and the State. Some areas where choice works very well—I think in Cambridge, Senator, there are two or three high schools—-
The CHAIRMAN. No; it is basically for the middle schools, and there are nine schools.

Governor RILEY. —nine—but where you have two or three, sometimes that works pretty well in terms of a competitive model, without having a dozen, if you see what I mean. You can get to a pretty good competitive situation if you just have two.

Senator GREGG. Well, I don't think it is possible in many rural States, and I don't know a great deal about South Carolina's school system, but I certainly know that in northern New England, for example, Vermont, Maine and New Hampshire, and in many of the western school systems in Massachusetts, there is no alternative to the single public high school, which is often a public high school that is a collector high school for a large number of towns.

Thus, what you are basically saying, if you are only going to support choice for public school systems, is that you are only going to support choice for those people who live in urban areas and that you are not going to allow rural areas, and in many cases suburban areas, to have choice. That's just a fact. As you'd say, it is a mathematical fact. And it seems to me it is something you might want to consider.

Governor RILEY. Well, Senator, you would, of course, have the opportunity to have choice of the private schools. That is a choice and a very legitimate choice. It would not be a choice for poor families, perhaps, but it is a choice for some.

Those families then have a greater responsibility than ever to get involved in the public schools and make sure that their child's choice is a good one because that is where they are going to school, and that school would have a mixture of family cultures and so forth, if there is just one school in a community, and I think that for that parent to get involved and make sure that public school is a school tuned in to quality for their child I think can make a great difference.

Senator GREGG. But I think the preface of your statement is the one that really concerns me, which is that for the poor parent, or the middle-income, low-income parent in many instances—even for the middle-income parent in many instances—choice is not an option under your philosophy of choice, in rural or suburban areas.

Governor RILEY. I think you are exactly right, and if they had a voucher system, choice would not be an option either. They would just have a poorer public high school to attend, in my judgment.

Senator GREGG. Well, if we followed Mr. Coats' suggestion of maybe doing a few demonstrations and seeing if that actually occurs, we could actually get an answer to that rather than having it be just handed dole.

Governor RILEY. Well, again, I would say that this is not a new issue for my consideration. I have thought and thought about it. I really don't think that it would be good for the public schools; so I really would not favor spending money on trying to see that something is worthwhile, when I am 100 percent convinced that it is not.

Senator GREGG. That certainly makes your position clear, and I appreciate that. Thank you.

Senator KASSEBAUM. Mr. Chairman.

The CHAIRMAN. Yes, Senator Kassebaum.
Senator Kassebaum. Not to get into this debate, but for the record I would just like to note that Milwaukee has choice between public and private schools. This is something that they have initiated on their own, and this is the beginning of their second or third year. So I think we currently have an opportunity—based on a decision that was made in Milwaukee at the local level—for many to research and observe the system at work.

Governor Riley. And Senator, as you point out, that is a local decision.

Senator Kassebaum. That's right. It is, and it can be made by any school district or State without Federal legislation.

Governor Riley. That's right.

The Chairman. I would just say that in Indianapolis there is an experimental program as well—we have mentioned it—and in Cambridge, MA as well as in other communities of the State. So we have had a pretty good opportunity.

I would also mention for our friends, that I hope they might have a chance to read this morning's paper, where Secretary Lamar Alexander and Mr. Kearns, at American University doing a retrospective analysis of their time here on education policy, said that the emphasis, stress, and focus on the choice issue polarized education. I think generally, reading through those comments and statements, from what they said, and they were strongly for it, they thought it was basically counterproductive in terms of moving other discussions and debate on other matters which can really make a difference. That is just general information for the membership, and maybe they are already aware of it.

Senator Simon.

Senator Simon. Thank you.

First, I want to join in welcoming Senator Gregg here. If Judd Gregg will just vote the same as his neighbor from Massachusetts, he'll end up with a very good voting record in this committee here.

Senator Gregg. I always appreciate the counsel of the Senator from Illinois.

Senator Simon. I knew you would.

I welcome you here, Governor Riley. I remember going to South Carolina for the inauguration of a long-time friend, John West, as Governor of South Carolina and meeting a young State Senator who they said was a real comer, who was really going to contribute in the future. I did not anticipate I would be here asking the Secretary of Education designate these questions, but I am very pleased to see you here, and I have followed your career with great interest.

I did note that you spent your Navy time on a minesweeper; you will find that is invaluable as you deal with this committee. [Laughter.]

Let me make a couple of comments and then a couple of questions. First, I was pleased with your response to the chairman on the direct loan program. I think this is clearly something that is needed, and I commend my colleague, Senator Durenberger, for his help on this as well as Senator Kennedy and Senator Pell, and Congressman Petri in the House and others. It is a bipartisan thing.
One of the keys here is clearly to have IRS collection, and the IRS has indicated they are not eager to do it, but they are capable of doing it, and it is important that you work with the Secretary of the Treasury as we move forward in that area.

On the Pell grants, I agree with the comments of Senator Pell. It is very interesting to go back and look at the old GI bill after World War II. If you put an inflation factor on it, it would amount to a grant today of an average of $8,100 per student. We are a long, long way from where we were after World War II, and we have increased real income in this country about two and a half times.

I was interested in your response to Senator Dodd on Head Start and the need for really dealing with education in a comprehensive way. What impressed me when Senator Kennedy was reading what you did in South Carolina was the comprehensiveness of your approach.

I think clearly we have to deal, as you said in response to Senator Dodd, also with the home environment, and that means that we have to get the National Literacy Act going. I am pleased that President Bush signed it, but it has been languishing.

Twenty-three million adult Americans can't fill out a job application form. We need that help at home, as you indicated.

And you mentioned President-elect Clinton's "ethic for learning" stress. I think it would be a great thing if, at some point, not too far down in this administration, the President of the United States would give an address to the Nation on education and appeal to Americans who cannot read and write or whose abilities are very, very limited, to go out and seek help; that we utilize this human resource that we have in this country much more effectively than we have. And I am going to pass that suggestion along to the President-elect, and if you feel so inclined if you could do it also, I would appreciate it.

Let me get to a specific question. One of the great misfortunes of the last administration was the announcement on minority scholarships—I don't think it was a planned thing; I think it is just one of these things that occurred or at least it was not carefully planned. I think we have to make it clear once again to colleges and universities that diversity is a welcome goal. And while it is overwhelming minority scholarships, there are historically black colleges and universities that have scholarships for whites in order to achieve diversity.

There are college presidents and university presidents out there right now who believe if they offer scholarships for minorities in order to achieve diversity that they are somehow violating Federal law. I don't know if you have had a chance—we chatted about it just briefly in my office—but I don't know if you have had a chance to reflect on this further. I would hope this is an area where we could get clarification from your office, that we sound a clear trumpet to the college and university presidents of the Nation.

Governor RILEY. Well, Senator, I agree with you that certainly we need a clear statement on that. It is my general feeling that scholarships which are intended to expand access and diversity are within the purview of the acceptable law of this country. I have not done an analysis of the specific issue and analyzed the cases. It is somewhat of a constitutional question. However, that is my general
view. I think it has been anticipated that these race-specific scholarships, which are intended not for discriminatory purposes, but to correct discrimination of the past and to open up more diversity, more opportunity, it is my personal view that that is valid; it is good, and it is legal.

Senator SIMON. I appreciate that personal view, and I agree with that completely. My hope is that you could have your research people, your legal scholars, look at this fairly quickly in your administration so that we can either have a clear signal from you as Secretary of Education, or if necessary, that we pass a statute saying that it is perfectly legal for a school to offer assistance in order to achieve diversity in the student body. If you could indicate that that is going to be one of the things you are going to look at early in your administration, I would appreciate it.

Governor RILEY. I will certainly indicate that to you, and I will pass on to President-elect Clinton your and my suggestion that he makes an important education speech.

Senator SIMON. Good.

Governor RILEY. I join with you on that request.

Senator SIMON. All right. I would hope that that could be achieved.

Governor RILEY. That ought not to affect the deficit at all, I don't believe. [Laughter.]

Senator SIMON. Well, ultimately, it does affect the deficit, as you've pointed out.

Governor RILEY. It does, in a good way.

The CHAIRMAN. Would the Senator yield on that point?

Senator SIMON. Yes, I'd be pleased to.

The CHAIRMAN. There are proposed regulations now that are going through the administrative procedure process that has been put out by Michael Williams on minority scholarships. You might find out where that is in terms of the previous administration's compliance with the Administrative Procedures Act, so that something is not put into effect on your watch which was triggered earlier, and so you have an opportunity to study it anew. I obviously support Senator Simon's position, but it is in the process now under the previous administration, so you may want to have someone take a look at it and see what steps might be taken.

Governor RILEY. Yes. Thank you, Senator.

Senator SIMON. I concur with Senator Kennedy on that, and what is going through the process, frankly, is kind of fuzzy. That is why I think we need a clear trumpet.

Then, finally, if I could just add—Senator Gregg brought this up, and as Senator Kennedy has indicated, there is going to be a report before too long—I think we do have to address this question of how many days in school—I know Senator Pell disagrees with me on that—that was said in jest, for the record. I think it is a very fundamental thing, and how we address that in terms of the Federal Government is not completely clear. I think there can be carrots out there that clearly would be constitutional.

It is a decision that ultimately will rest with State and local Governments, but I think there can be Federal Government encouragement, and on the basis of what you have said, I think that follows in line with your philosophy, if I am correct.
Governor RILEY. Well, I definitely think that, as Senator Gregg was pointing out, the "time on task" issue is extremely important. The time in the day and the time in the year that a young person spends in the learning process absolutely impacts the results. And I think we ought to do all we can to have as much time on task as we can within the system. Again, that is a local issue, a State issue, but certainly one that I would welcome the research capacity of the Department of Education and other ways of supporting analysis of those situations to be used.

Senator SIMON. Let me just add again, I am very pleased. I think you are going to provide the leadership the Nation needs. I sense that the President-elect's comments about education are not simply campaign oratory, but there is a genuine, deep-seated commitment, and I think we have a chance to really do some great things for this country, and I'll look forward to working with you in this field.

Thank you, Mr. Chairman.

Senator PELL. To interrupt for a second, I think it might be interesting to find the statistics we have—deplorable ones—on a national basis or on a State by State basis.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Thurmond.

Senator THURMOND. Thank you, Mr. Chairman.

Governor Riley, again, we welcome you to Washington, and we feel you will make an outstanding Secretary of Defense—Secretary of Education, that is.

Governor RILEY. They are related, Senator. [Laughter.]

Senator THURMOND. While you are passing messages on to the new President, you might tell him that Senator Simon and I have worked on a constitutional amendment to mandate a balanced budget, and we passed it out of committee 2 years ago. It is on the calendar now, and if you will give a little push to it, I think we can get it through.

Governor Riley, because of the success of the STAR Schools program, I have been a strong supporter. South Carolina Educational Television has received several STAR Schools grants and has used these funds to generate innovation and improved instructional programming for students throughout the State.

What suggestions do you have for expanding access to new technologies for students in grades K through 12, and have you been informed of the accomplishments of the South Carolina Educational Television Consortium and similar entities around the country?

Governor RILEY. Yes, Senator, I have. I am very proud of the South Carolina Educational Television system. I think it is probably as strong as any in this country, and I know you join me in that sense of pride in it.

Actually, our SCETV has really been used to have a lot of the television programs, even up in Alaska and other places in the country, really coming under the STAR program. It is a quality system, and it gets educational capacity out to all of our schools and to, certainly, adults, and it is used in the technical education system and other ways.

The STAR School program is certainly one that rural America is very interested in because I think they see, through the use of
technology how you can have highways of education going into schools with proper teaching support.

I think it is a very important in the urban areas that we have talked about here earlier, the serious problems in some urban schools, the use of technology will help us provide a more stimulating program there.

So I believe that the use of technology is extremely important, and I think we have shown that through our educational television system in South Carolina, and I agree with you in your comments.

Senator THURMOND. Thank you.

I just have two more questions, since time is running short. Governor Riley, according to the Wednesday, December 30th, 1992 edition of Educational Daily, total elementary and secondary school enrollment is currently about 47.9 million. Enrollment is expected to reach an all-time high of 51.6 million by 1996. This is an increase of over 9 percent. Do you agree that we must begin now to address this increase, and do you have any particular ideas or suggestions as to how we meet this increase?

Governor RILEY. Well, those are numbers that we all read, Senator, and must analyze, and certainly as Secretary of Education, I would be very much tuned into what is happening out there in terms of the demographics of the public schools and in education generally.

The hard part of that is that much of the increase that we are talking about will be children who need special educational help, either because of language difficulties or others. There is a lot of immigration. So you can see not only this increase taking place, but it is an increase in special needs which are more expensive than other student needs might be.

So, I think we need to carefully analyze what is happening out there. As we talk about a systemic approach to fundamental change that is involved in providing education for all children, we need to analyze who these increased children are, and what we need to do to provide them the kind of education they must have in this country.

Senator THURMOND. Thank you.

Governor Riley, as you know, South Carolina has been a leader in Tech Prep, and the Tech Prep program at Tri-County Technical College in Pendleton, SC has received national recognition. Do you feel that if a student decides to pursue a vocational education that he or she should be properly prepared for postsecondary occupational education?

Governor RILEY. Yes, I sure do. The fact is, I visited with Dr. Garrison and his people at Tri-County, Senator, and analyzed that program, and was very impressed with it. I spent the good part of a day there some few months ago. I am very interested in President-elect Clinton's interest in his youth apprenticeship programs that fit very well into the tech prep concept, the two-plus-two concept, to get young people in their last years of high school and their first 2 years after high school into this proper education for them to be contributing, successful citizens with good, high-paying, permanent jobs.

I think that the Tech Prep program can be of great benefit to us as we look into those methods, as you said, to provide the kind of
education we must for a young person who is not on a college preparatory track.

You need to also have, in my judgment, a clear opportunity all through those years of preparation for a young person to change direction. I think that is extremely important, and I think the Tech Prep program and others are sensitive to that.

Senator THURMOND. Any time I can be of assistance, I want you to feel free to call upon me, and since your lovely wife’s name has been mentioned, I just want to say that she has been a tremendous asset to you throughout your entire career, and I congratulate you.

Governor RILEY. I thank you, Senator, and I share that view of help and support, any way that I can be helpful to you.

Senator THURMOND. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

Senator Wellstone.

Senator WELLSTONE. Thank you, Mr. Chairman.

Governor Riley, I too welcome you. When you came by the office, and we discussed a variety of different ideas about education, I felt really good about it; I felt like there was lightning in the air. You don’t treat ideas like an undertaker. I think you have a lot of vision, and I think you have a lot of commitment, and I think that’s exactly what we need right now.

When you are at the end of this process, let me just give you some forewarning. It is a little difficult to ask some of the questions that have already been asked, and I don’t want to do that. I would like to highlight some things that have been said, and I hope it doesn’t sound like mini speeches; but I want to do a little bit of that, and then I have a couple of very specific questions for you.

First of all, I just want to get out on the table something that I think is really important. I hope this is not Senatorial, but when we talk about education of children, I speak about it with a fair amount of indignation. I really believe that the ultimate indictment of this last decade is the extent to which, or the way in which, we have abandoned children and devalued the work of adults who work with children.

I really believe that symbolic politics has been played with children, with politicians wanting to have photo ops, and talking about children and education over and over again—except when it comes to digging into the pockets.

The reason that I say that is that whether we are talking about full funding for Head Start, or WIC, or early childhood development, or making sure that we have a community service program that might be one way that young people, men and women, can go on to school—and not so young; we have to remember where the nontraditional students fit in—or whether we are talking about the question that Senator Dodd raised about equity in school financing and is there some Federal role.

I just would urge you and I would urge the President-elect that while we have to pay attention to deficit reduction and need to bring that deficit down, we also have to make sure that we begin to make an investment in education and an investment in young people now. Otherwise we are going to pay the price over and over
and over again. So I would just call on you to provide the strongest leadership on this very basic question.

After having said that, let me go to a few specifics, if you will. I mentioned this to you earlier as kind of my litmus test. As Secretary of Education, even though these programs are not directly under your jurisdiction, will you call for full funding for WIC? I believe that the most important education program is that every woman expecting a child should have a diet rich in vitamins, minerals and protein so that her child to-be will have the same chance.

So will you support full funding for Head Start, and will you support full funding for childhood immunization programs that have been badly neglected—just in terms of leadership?

Governor RILEY. Senator, certainly, I would say that I absolutely believe in full funding of Head Start, full funding of WIC. If we don’t immunize children against disease when we have the capacity to do it, that would be a tragedy.

I say that, though, followed very closely, as I have mentioned earlier, that as you and I are very aware of the financial situation in this country. I am a person who has great feelings about people, especially children, and especially children with special problems. But, I also have great feelings about being very practical in terms of what we can and what we cannot do. I feel that we have got to weigh those two things together.

If it were me, my leaning is in the area of human resources and investment in human resources, as you say, and I think that is always money well-spent. But perhaps we need to look at priorities. We need to look at alternatives. To do what you say would cost a very small amount of money in relation to the whole pie. Perhaps we ought to look at the whole pie very carefully and see that some of the funds that we spend, we could move more into this direction of investment in the future of young children.

Senator WELLSTONE. I thank you. And moving on—again, I think I’ll put this less as a question because I am mindful of the time constraints—we talked a little bit about community service when you came to my office, and I suggested to you that something I am very interested in as a former college teachers is that when we talk about community service as a way of paying off student loans, I guess there are two points I want to make.

One is let’s not leave the nontraditional students out, the older students who are going back to school, who may not be able to do it upon completion and taking 2 years out. The other thing is that I think we should think about ways in which students, even before they go on to higher education, might be able to accumulate credits toward paying off their loans by way of community services. I’d like for us to look at that in broader terms, and again I would just urge you to make sure that this is not a program that all of a sudden we say we don’t have the resources to put into it, so that we barely get started with it, when I think people all over this country, including the large middle class, are looking for a way to make sure that we can afford higher education.

A question on equity. Would you at least be able to think about this conceptually, that there might be a way the Federal Government—I know, Mr. Chairman, with the Chapter 1 Commission, there has been some discussion of this—that the Federal Govern-
ment might be able to play a role by way of incentives through Chapter 1 funding, maybe through summer institutes, circuit riders, and so on, to encourage States to move more toward equity funding in per-pupil expenditure.

Do you see a way in which the Federal Government might be able to play somewhat of a different role than we have played in the past, given what Senator Dodd had to say, given Jonathan Kozal's very powerful book, Savage Inequalities, and given the fact that there is such a great disparity in the per-pupil expenditure. It really makes the idea of equal opportunity a lie in our country; it's not true that every child has the same opportunity.

Governor RILEY. Senator, I would certainly always be willing to look at options that might be there in terms of incentives for States and local districts to be tuned into this business of equity, especially the equity financing issue.

I really think it is more of a court question, perhaps, than that. However, I would certainly be willing to talk with you further and to examine the possibilities of something in that regard.

I think one thing we certainly can do is what you and I are doing right now, and that is communicating with people about it and attempting, then, in a leadership way, to arouse people's sense of equity, and I think that is a very powerful sense in this country if we can properly arouse it.

Senator WELLSTONE. I appreciate that, and I only have one more question, but let me just add that that has always been my concern, and if it is all right, Mr. Chairman, I'd like to both submit my opening statement for the record and also submit some questions to Governor Riley. I have a whole set of questions about longer school days or longer school years and national testing, and the reason I have those questions has to do with in the absence of making some of these other commitments, I am not sure whether or not that really will work for children. I so appreciated your point that the tests that are really worthwhile are the tests that help children.

The last question; Do you see a role for the Federal Government in teacher training? Every group of teachers that I have met with always lays that out as one of their number one, if you will, grievances, that the teacher training just does not make sense, and we really need to take a close look at what we are doing, both undergraduate and when teachers go back during the summer.

Governor RILEY. Well, if you look at business—and a lot of people like to compare public responsibilities with business approaches to things—the idea of professional development, of continuing education, lawyers continuing legal education, doctors, business people, it is a very important part of their budget—and for a well-run business, when things get tough, that is not what is cut.

It bothers me that in education decisions, one of the first things we cut and one of the last things we seem to give attention to is the resources that are necessary to have professional development and teacher training programs.

I have a strong feeling about teachers. I think that some people have spent too much time bashing teachers in some areas, making comments about the teaching profession that are unfair. I have been into lots of classrooms; I have seen lots of teachers at work,
and, they are just as tuned into these educational concepts as you and I and anyone else, or more so. Everything we ever did for education in South Carolina, teachers were involved, and it was not always things that they were very supportive of, but they always threw in for the good of education to help us.

So I am strongly supportive of those teachers out there every day, teaching, teaching, teaching, when all of us are out talking about education. And I say this—anything we can do to help them keep abreast professionally with what is happening, and the tremendous increase in learning capacity that is needed, I think we ought to do it any way we can.

Senator WELLSTONE. Thank you, Governor. It will be a real pleasure working with you.

Governor RILEY. Thank you.

[The prepared statement of Senator Wellstone follows:]

PREPARED STATEMENT OF SENATOR WELLSTONE

Mr. Chairman, I am pleased to join my colleagues on the committee in welcoming Dick Riley as President-elect Clinton's nominee for Secretary of Education. I commend President-elect Clinton on his excellent choice.

When I met with Governor Riley last week there was truly lightning in the air. There was such a sense of excitement. I can’t wait to start working with the new administration and the new Department of Education. I know that Governor Riley and I share the same vision of the tremendous possibilities for what public education can be.

It is clear that Governor Riley believes in public education. As Governor of South Carolina he demonstrated his strong commitment to making sure children are ready to learn when they enter school. The passage of the Education Improvement Act in South Carolina is evidence of his support for improving public schools. He brought together school administrators, teachers, students, business leaders, parents and government to work together to pass legislation to improve the public school system in South Carolina.

For too long, public education in this country has been given a bad name. Certainly we cannot ignore the reports that our children are not learning what they need to know to contribute and survive in a knowledge intensive economy. But at the same time we must remember that our public schools have taken on an unprecedented mission. As a nation we have declared our goal to be to provide an education for all children regardless of where they live, what language they speak, or their family income. We need to rejuvenate and improve our schools, our teachers, and our students. We need to make sure our students are ready for school and that our schools are ready for students.

The issues that I am interested in include how do we provide equity in funding and services so all students have an equal opportunity to learn? How can we improve the training of teachers so we prepare our teachers, as well as our students, for a global economy? How do we design and incorporate a national community service plan into public education?

Working together we can do great things. We must do great things. Our children and our country depend on it. I look forward
to working with you, Secretary Riley. And, I look forward to working with a real "education President."

The CHAIRMAN. Senator Wofford.

Senator WOFFORD. Governor Riley, I salute you for your past leadership in South Carolina and for your future leadership as our Secretary of Education. I believe our education system is entering a time of reform and renewal, and your appointment is a tangible sign to me that it is going to be successful. For that, we are going to need leaders of skill and innovation, and I believe in you and in our President-elect, we have such leaders.

I have read a lot about you recently and have enjoyed it—and some things by you. I particularly liked the story by one of your aides who was talking about how there was a certain descent into the political gutter that might be useful in a forthcoming race or problem, and said, "I suggested the ancient and honorable political tradition of saying one thing and doing another. And you looked at me," he said, "as if I were from Mars."

I just look forward to the time when you look at some of us, if we need to have that look, or some of the people who will try to block the reforms that are needed, with that "as if you are from Mars" look.

I appreciated your answers very much to the question on permitting and encouraging scholarships for diversity. I appreciated your answer on the direct loan, especially concern for loans that will be not fixed when you don't have income right after college, but will be income-contingent through your paycheck and your income when you have it, and the program that was already authorized here in the Congress from this Committee.

I appreciated your response on youth apprenticeships. In Pennsylvania, before I got the chance to come here, we were one of the four or five States that started trying to adapt the German model in some pilot programs, supported by the Federal Government in part and by our State Government. They look very promising, and that experience may be of some use to you.

And I appreciated your general response on the idea of national service that our President-elect has been working on for some years and that leaders in this committee, Senator Kennedy and Senator Mikulski particularly, have been working on.

In that regard, I don't know how far you have looked into the current status of the work-study program. I would like to call to your attention a General Accounting Office study done at my request when I got here, because I was interested in how many of those work-study jobs—about $800 million, I believe, spent per year—were in community service out in the community. The original vision of the work-study program, as I understand it, was that most of those jobs would be out in the community. The General Accounting Office estimated that more than 95 percent of the jobs are on-campus, helping the college budgets, but not making a contribution to the community or providing opportunity for community service to students in college or in summer.

I wonder whether you have given any thought to how that resource might be used, and how you could either persuade, by carrot or by stick, most of those opportunities to be in community service?
Governor Riley. Senator, I am interested in your observation. I think in a time of budget problems that we are now having, we need to look at all of our resources out there. We need to look at old people. Fortunately, people are living longer, and they have longer years of production and health. I always encourage that, and that is a tremendous resource that is out there to help in so many ways.

The young people who then are paying back for their college, or for whatever other reason are serving the community, are a tremendous resource, and that is so much more valuable to us when we need it so badly.

I am familiar with some of these programs, such as the Service Corps at my school, Furman University in Greenville, SC. We have something like 2,500 students, and we have some 1,500 to 1,600 young men and women at Furman who belong to the Service Corps and volunteer three or four hours a week, helping the retarded, the senior citizens, the poor, children with mental health problems, and so forth. Can you imagine what it would cost to have those 1,500 bright, sensitive, caring young people, out in a community, serving the needs of the community every week?

I strongly support those kinds of programs. We talked about an ethic for learning, and there should be an equal ethic for service. I would be inclined to agree with your observation—I am not familiar with how that program is working in effect, but I would certainly be inclined to agree with your sentiment that it should be serving people instead of institutions.

Senator Wofford. A lot of those people in colleges that I’ve talked to in Pennsylvania would love to have the option to practice their ethic of service, not filing papers in the admissions office, but out in the community. So it is a resource that is already there if we want to reach out and find a way to persuade the college administrations to make use of those funds for community service instead of for their filing clerks or other such assignments.

The ethic of service at the lower level, it seems to me, is something that will be important for you to look to, and I would be very interested in your forthcoming leadership in how, from K through the 12th grade, service learning, as it has come to be called, can be expanded in this country so that people are ready for the intense, full-time experience of national service.

There are a lot of interesting experiments on that going on. It seems to me teaching citizenship by lectures and classroom is a case where—that’s the long way to do it, by and large, and it is a “learning by doing” dimension. If you can give some leadership to promoting learning citizenship by getting students from kindergarten on to do things that give them the ethic of service and responsibility and citizenship, I think it could be a big part of your leadership that I’m looking to.

Governor Riley. Well, I would certainly support that fully, and I am very appreciative of your background with the Peace Corps and your personal involvement for service over the years.

If there is any aspect that young people could obtain in their learning years, it is this idea of good citizenship, this idea of community service, of caring for each other. I think there is a craving out there right now for it, and I think Bill Clinton touched on that,
and he tuned into it. When he was out, talking about students having the opportunity to go to college on the one hand, and the obligation and the responsibility to serve the community or whatever in payment for it, you should have seen the looks in the eyes of the young students. Young college people out there, even the traditional, older students, people who were tuned in, they were absolutely linked up with that idea. So I think it is out there if we can just develop it and key into it.

Senator Wofford. Minnesota has been a leader in developing the techniques of that service learning at the lower grades. Pennsylvania has been doing it now, and Maryland, under Kathleen Kennedy Townsend, has now required a certain number of hours of community service for graduation. I think that is a movement that is going on in a number of school districts in Pennsylvania that needs your support and attention.

Good luck.

Governor Riley. Thank you, Senator.

The Chairman. Just to continue, I want to pay tribute to Senator Wofford for all of his good work in helping this committee before he came to the Senate by developing the community service program.

In Springfield, MA, we have kindergarten children folding napkins for the feeding program sponsored by the nonprofits and various church groups. Fourth-graders adopt senior citizens and call the people every day and just talk for 5 minutes on the telephone and visit them on Valentine's Day and their birthday. Seventh-graders visit nursing homes and do the pantomime of the rabbit and the hare. It is a spectacular little program when you watch it and see what a difference it makes in terms of the seniors.

And then the eighth- through twelfth-graders go after school to places where there are day care programs for parents who are working, and they work with the children on reading. Many of them write books, and the books that the kids write are more desired than the ones that are actually being printed.

So I agree with you there is an enormous interest and desire out there.

Another element is the appropriateness of including the volunteerism into the curriculum for credit. Some colleges and universities are doing it; some are not. I think this is a higher education policy issue. But we have found in my own State a number of outstanding schools—Boston College, among others—that now, with Teacher Corps volunteers, are involved in these kinds of activities and tying them into their academic programs in a very creative way; it is making an enormous difference. Stonehill College, Bunker Hill Community College and others are doing that, and it is another interesting question.

I don't know whether others have additional questions, but I'd like to just mention two final areas. Senator Kassebaum?

Senator Kassebaum. I have no more questions which I wish to ask at this time. Go ahead.

The Chairman. Senator Pell.

Senator Pell. I have just one question, and that is did I hear correctly that you think standards as well as goals should be adopted by your Department?
Governor RILEY. Senator, it is my feeling that goals certainly should be adopted and the mechanism for arriving at standards also through the goals panel and the mechanisms devised through that body. As far as standards themselves, of course, everything is voluntary as far as the States are concerned, and I think it is worthwhile, certainly, for the Federal Government to be involved in a very meaningful way in standards. But obviously those standards are voluntary for the States to accept or not—but with proper leadership, I think that a national standard can be achieved.

As far as putting it into the legislation, Senator, I am not exactly sure of your question, but as I understood, I think S.2 set up the mechanism for coming with standards, but not standards themselves.

Senator PELL. Thank you, and my own personal view is that we should push along in that direction; that that is the correct direction.

Thank you very much.
Governor RILEY. Thank you, Senator.
The CHAIRMAN. Senator Kassebaum.

Senator KASSEBAUM. Mr. Chairman, I have some questions that I would like to submit on behalf of Governor Pete Wilson, Senator Dole and Senator Hatfield. I think Senator Wilson's questions are particularly meaningful in light of his dedication to education, but also in light of the funding problems of the State of California. So I will just submit those for the record, and I look forward to working with you, Governor Riley. I think that you are someone who certainly cares about education and is very much attuned to what is necessary in the legislative arena to accomplish what can be achieved.

Governor RILEY. Thank you.
[The questions of Governor Wilson, Senators Dole, and Hatfield may be found in the appendix.]

Senator WELLSTONE. Mr. Chairman, with your permission, I have a lot of questions, but I will put them in writing to the Governor.

The CHAIRMAN. Well, we are going to invite everyone to make sure they get their written questions in today so that we can permit the designee to respond to those questions.

Senator WELLSTONE. Tomorrow?

The CHAIRMAN. Tonight, I think, is probably best.

I have other questions, too. One is how we are going to be able to attract minority teachers. We have various different proposals in terms of teacher education, but how are we going to be able to get quality minority teachers? I think Senator Wofford talked about the income contingency in direct loan programs, and I would like to get into defining that somewhat, and also some of the teacher training programs. But I will submit some questions; it is nothing that you haven't, in general, talked about here.

I want to include in the record some superb letters of endorsement of the Governor from the National Education Association, National PTA, National Alliance of Businesses and others. All of them comment about the ability that Governor Riley has demonstrated in building coalitions and bringing people with diverse views together, trying to find common ground and moving the whole proc-
This is enormously positive and very, very commendable, and I am sure you have a sense of satisfaction with those kinds of endorsements.

[The letters referred to may be found in the appendix.]

The CHAIRMAN. Governor, I heard the story, that when you announced your education program in South Carolina, a fellow Governor, Mark White, of Texas sent you a pair of cowboy boots because he said that the voyage was going to be long and that you needed the strength and the sturdiness of those cowboy boots. And I understand you responded by saying you were going to wear them, and did, until you enacted your education program in the State of South Carolina.

I am just wondering whether you are going to dust those boots off again. [Laughter.] We don't need a commitment on that, but——

Governor RILEY. Well, Senator, I think that's a good idea. I might add that the debate in the House was some 12, 13 weeks, oftentimes going all night long; the debate in the Senate was five or six or 7 weeks. I wore those boots the whole time. I swore that if it failed, I was going to continue to wear them until it came back up the next year, and we passed it then. So I am grateful to finally take them off. [Laughter.]

The CHAIRMAN. Well, we'll leave that question up in the air. You have been wonderful in responding to all the questions. I will look forward to supporting enthusiastically your nomination.

We will, with the cooperation of our Republican colleagues, vote on the 19th on the nomination, so that it will be completed prior to the time of the Inauguration. That happens to be the time that is best-suited for the greatest numbers of the members; but we will vote on that Tuesday sometime that day, around noontime. We will get a more specific time, but I want to put all the members on notice that that is our plan.

We thank you very much, Governor. The committee stands in recess.

Governor RILEY. Thank you very much.

[The appendix follows:]
APPENDIX

PREPARED STATEMENT OF SENATOR HOLLINGS

Mr. Chairman, Senator Kassebaum, members of the committee, it is a genuine privilege to join you this morning to introduce Governor Dick Riley.

Despite the fact that a major magazine once referred to Dick as "the best Governor in America," I used to think of him as South Carolina's secret weapon—our State's best kept secret. But, in recent weeks, the cat has been out of the bag. President-elect Clinton—who has been in on the secret since 1979, when he and Dick first took office as Governors—tapped Dick for a high-profile role as one of the wise men guiding the transition team. And when President-elect Clinton announced Dick's nomination as Education Secretary on December 21, he paid tribute to him as "my partner and my mentor." That is no small tribute.

So now all of America is in on the secret. The rest of the country is learning what we in the south have known for years: that Dick Riley is a political leader of really exceptional qualities . . . with vision galore . . . and, just as important, with the tenacity and talent to turn vision into concrete reality.

For 15 years now, Dick Riley's passion and preoccupation have been education reform. Thanks to the leadership of Governor Riley in South Carolina and Governor Clinton in Arkansas, education has become the south's secular religion. We are born-again believers in education as the key to the economic salvation of our people. Indeed, as I said, Dick Riley has played a unique role in evangelizing this new faith. With his landmark 1984 Education Improvement Act in South Carolina, he parted the waters for the education reform movement nationally. And he is just the man—as Education Secretary in the years ahead—to lead America to the promised land of a national public education renaissance.

To fully appreciate Dick Riley's achievement in South Carolina, bear in mind that our State has arguably the weakest Governor—constitutionally speaking—in the country. Yet through sheer hard work, tenacity, and force of persuasion, Governor Riley barnstormed the State and passed the Education Improvement Act of 1984. That act increased the State sales tax by a penny to fund education improvements, and launched a package of 60 education reforms.

At the heart of Dick's reform package were: higher teacher salaries; a tough new testing regime to measure results; cash incentives to high-performance schools, and punishments for lagging school districts; and performance incentives for teachers, principals, and schools.

And, to put teeth into these reforms, Dick set up a tough new Division of Public Accountability within the Department of Education, along with high school exit exams, local and State oversight committees, and State authority to intervene with school districts that fail to perform up to snuff.

The results, to date, have been impressive. SAT scores are up significantly. The percentage of graduates going to college is up more than 8 percent. Public school enrollment is up, and private enrollment is declining.

Even more impressive is the way Governor Riley's reforms have renewed grassroots commitment in South Carolina to revitalizing public education. Some 6,000 businesses in South Carolina are now officially involved in business-education partnerships; that's a 600 percent increase. PTA membership is up 100 percent. More than 120,000 volunteers are contributing their ideas and labor to South Carolina schools.

What we are talking about in South Carolina is real education reform and real results.

Now Governor Riley faces a similar challenge, only on a national scale. For 12 years, the Education Department has been at the bottom of the Cabinet pecking order. It is the youngest and smallest Federal department. And its powers are inherently limited, given the fact that primary responsibility for education lies with the States and localities.

Making matters worse, in recent years the Department of Education too often has been the department of talk and do-nothing. At the outset of his administration, President Bush went to Charlottesville and grandly announced six sweeping education goals for the year 2000. Then he skipped school for the next 4 years.

Under Secretaries Bennett and Alexander, there has been next to zero progress toward the Education 2000 goals. Instead, their single idea for reforming education has been "choice"—meaning the choice to denigrate, dismantle, and defund public schools in America. Just as they have preached that government is the enemy, they have also implied that public schools are the enemy. And this, of course, is dangerous nonsense.
The truth is that our great democracy is *premised* on public education; it is premised on the quality public education of the many, not the privileged private education of the few. On that score, perhaps Dick Riley's most important service will be to restore the Department's dedication and commitment to public education.

It is conventional to think of appointment to high office as conferring prestige on a man or woman. But, in the case of Dick Riley and Education, it is more a case of an individual's appointment conferring status and prestige on a long-neglected Department. Dick Riley's nomination has already elevated the Department of Education to a new level of expectation and purpose.

Mr. Chairman, no person in America outside the education establishment has devoted so much time and energy to understanding the problems confronting public education in our country. As Governor, Dick Riley put education reform at the top of the agenda in South Carolina. As Secretary of Education, he will put education reform at the top of the agenda in Washington and across the United States. President-elect Clinton has made an inspired choice.

**PREPARED STATEMENT OF GOVERNOR RICHARD RILEY**

Mr. Chairman, Senator Kassebaum, members of the committee:

I am deeply honored and privileged to appear before you as the nominee for the position of Secretary of Education. As Governor of South Carolina, I had the opportunity to work closely with Governor Clinton to reform our States' and our Nation's education systems, and am proud that our shared experience led him to appoint me to this post—I can think of no greater compliment. I intend to work closely with you as we seek to implement our shared vision of effective, innovative and accountable education systems. And I hope that the bipartisanship that marked both Governor Clinton's and my approach to this challenge—an approach which led us to work, not only with Democratic and Republican Governors, but with President Bush—will continue.

We have an essential mission to accomplish together. We must reshape our approach to education to assure all of our people are prepared for a high performance worldwide economy, for maintaining international security, and for meeting their obligations of civic responsibility.

Three objectives should guide us: 1) improve the quality of education for all students; 2) assure access and opportunity for each student to achieve successfully; and 3) build, together with State and local, public and private partners the school and college capacity to help all students meet high standards across the Nation.

As a product of the public education system, I want every American student to have what I had—access to a quality education which enables them to pursue any career they wish, and take on any challenge they choose. Giving our students the best education in the world is a moral imperative and, especially, an economic necessity. As President-elect Clinton put it at a Chicago Community College, education is "an answer to how all Americans can make their lives better, and how we can all make the economy stronger."

As Governor of my State, I led the fight for a series of reforms in South Carolina's schools. These reforms resulted in one of the Nation's largest leaps in SAT scores; marked greater employment opportunities for graduates of our vocational education system; a near-doubling in the percentage of high school students taking tough courses and meeting Exit Exam standards; and a significant increase in the number of high school graduates going on to college.

But my experience in education reform runs deeper than ideas and legislation. The fight to reform South Carolina's school system was a lesson in perseverance, in constituency mobilization and in coalition building—building support city by city, parent by parent; and then the political leadership to rouse a resistant legislature to action. This fight demanded of me just the kind of partnership building I hope to bring to the education debate at the Federal level.

I worked with business leaders, pointing out that illiterate labor and unskilled employees made their businesses less competitive. I worked with teachers, increasing salaries, but only in return for greater accountability. I worked with legislators, winning votes one by one. And I took my case directly to the people who mattered most—the mothers and fathers who wanted to do what is best for their children.

The last decade has been a time of great action and intellectual ferment in education at the State and local level. The President-elect and I have been in the center of this debate. As Chair of a Commission on Educational Quality in the south, I worked with Governor Clinton—who brought education reform to Arkansas in the eighties. We worked to establish specific education goals for the southern States in 1988. Many of these goals were ultimately embraced as the National Education Goals, in 1990.
Goals are particularly important in the area of education, I believe, because of the bureaucratic jumble created by overlapping State, Federal and local concerns. If we cannot all agree on the target, we will not hit it. Achieving the National Education Goals, in 1990.

As a former Governor, I am committed to both the diversity and the decentralization of this Nation's education systems, and acutely aware of the contribution the Federal Government can and must make to their operations—without centralizing control. I look forward to working closely with the Department of Education's professional staff. I believe that the many talented men and women at the Department of Education can be a positive force for a national movement—setting the tone, coordinating actions, providing information and giving support to the thousands of individual school systems and colleges across the country that will ultimately carry the burden of educating our students of all ages.

As our share of the partnership, we must craft a way in which the Federal Government can support systemic reform efforts in State, local districts, and schools in order to meet the goals. You made an honorable effort last year to design these strategies—I would hope that we can all work together this year to complete this important task. We must also work together for reauthorization of the Elementary and Secondary Education Act and the Office of Educational Research and Improvement. We must develop new approaches for preparing our youth for productive employment in high-skill, high-wage jobs. We must establish a new covenant which gives both greater access to post secondary studies for those who have earned an opportunity to go on, and also provides incentives for young adults to serve their communities and their Nation. And we must give all children the opportunity to start school ready to learn and give elementary educators the tools they need to teach children from America's endless variety of backgrounds and cultures.

My experience has taught me that the renewal and restructuring of our schools must be carried forward both by “outsiders” and “insiders”, working hand in hand. Teachers and principals, parents and politicians, school boards and administrators, business and labor, and national leaders must all join together to pursue our common goal: helping students meet the exacting standards that a competitive international economy will demand of them.

We must realize that education is not an isolated, one-time event. It is an ongoing, lifetime attempt to keep up with a pool of knowledge which is growing every day, at fantastic rates.

And finally, again and again, we must assert the fundamental principle that all children—all people—can and must learn and can indeed achieve high standards. If confirmed by the Senate, it will be my pleasure and honor to work together with you as we move forward bill-by-bill to develop a new approach—a participatory, positive approach for turning from a “Nation at Risk” to a “Nation on the Move.” I am very excited about the opportunity before us. We have a mandate from the American people and the historic opportunity to turn our best ideas into action.

Thank you. I am happy to take questions.

[Additional material follows:]
# STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

## PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC

<table>
<thead>
<tr>
<th>Name: Riley</th>
<th>Richard</th>
<th>W.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Position to which nominated:</td>
<td>Secretary of Education</td>
<td></td>
</tr>
<tr>
<td>Date of birth:</td>
<td>1/2/31</td>
<td></td>
</tr>
<tr>
<td>Place of birth:</td>
<td>Greenville, South Carolina</td>
<td></td>
</tr>
<tr>
<td>Marital status:</td>
<td>married</td>
<td></td>
</tr>
<tr>
<td>Full name of spouse:</td>
<td>Ann Osteen Yarborough Riley</td>
<td></td>
</tr>
<tr>
<td>Name and ages of children:</td>
<td>Richard Wilson Riley, Jr. (12/13/58)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ann Yarborough Riley Smith (8/7/61)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert Daniel Riley (9/18/63)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Theodore Bowling Riley (8/7/65)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education:</th>
<th>Institution</th>
<th>Dates attended</th>
<th>Degrees received</th>
<th>Dates of degrees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Greenville Senior High School</td>
<td>1946-50</td>
<td>High School</td>
<td>1950</td>
</tr>
<tr>
<td></td>
<td>Furman University</td>
<td>1950-54</td>
<td>B.A.</td>
<td>1954</td>
</tr>
<tr>
<td></td>
<td>University of South Carolina Law School</td>
<td>1956-59</td>
<td>L.L.B.</td>
<td>1959</td>
</tr>
</tbody>
</table>

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement:
- Connie Award for Conservation from the National Wildlife Federation (1981)
- Government Responsibility Award from the Martin Luther King, Jr. Center (1983)
- National Service Medal from the Freedoms Foundation at Valley Forge for leadership in the national movement for public education reform (1986)
- South Carolina Friend of Education Award (three times)
- National Award for Outstanding Service to Maternal and Child Health from National Perinatal Association
- Distinguished Alumni Award from the University of South Carolina

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations for the last five years and any other prior memberships or offices you consider relevant.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Office Held (if any)</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern Institute for Children and Families</td>
<td>Chair</td>
<td>1990-resigning</td>
</tr>
<tr>
<td>Consortium for Educational Policy &amp; Research</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furman University</td>
<td>Former Chair</td>
<td>1990-12/92</td>
</tr>
<tr>
<td>S.C. Fund for Mental Health</td>
<td>Chair, Capital Drive</td>
<td>1989-resigning</td>
</tr>
<tr>
<td>Duke Endowment</td>
<td>Trustee</td>
<td>1992-resigning</td>
</tr>
<tr>
<td>Doris Duke Trust</td>
<td>Trustee</td>
<td>1989-resigning</td>
</tr>
<tr>
<td>Nanolene Duke Trust</td>
<td>Trustee</td>
<td>1989-resigning</td>
</tr>
<tr>
<td>A. B. Duke Trust</td>
<td>Trustee</td>
<td>1989-resigning</td>
</tr>
<tr>
<td>Trustee for Buncombe Street United Methodist Church, Kelly Dick Trust</td>
<td>Trustee</td>
<td>1989-resigning</td>
</tr>
</tbody>
</table>

*resigning effective upon confirmation — continued below —
Employment record: List below all positions held since college, including the title or description of job, name of employer, location of work, and dates of exclusive employment.

- South Carolina, Governor, Columbia, South Carolina, 1979-1987.

Memberships continued:

- Invac Systems, Partner (real estate), 1986-present.
- International Harnicultures, Limited partner, 1986-present.
- Also member of Commerce Club, Summit Club, Faculty House, Capital City Club, Thorndale Club, Greenville City Club during reporting period.

Published writings:

- "What Really Matters," Furman University, L.D. Johnson Lecture Series, January 1988. South Carolina State of the State speeches were made annually from 1979-1987, which have been reprinted.

Political affiliations and activities:

- List all memberships and offices held in or financial contributions and services rendered to all political parties or election committees during the last five years.

Democratic Governor of South Carolina

- Clinton-Gore Presidential Transition, Personnel Director

See attached list of political contributions.
## Political Contributions of Richard W. Riley:

### 1988:

<table>
<thead>
<tr>
<th>Date</th>
<th>Contribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/1</td>
<td>Dick Gephardt for President</td>
<td>$1,000</td>
</tr>
<tr>
<td>3/8</td>
<td>Harriett Keyserling for House</td>
<td>$100</td>
</tr>
<tr>
<td>6/7</td>
<td>S. C. Democratic Party</td>
<td>$500</td>
</tr>
<tr>
<td>6/8</td>
<td>Liz Patterson for House</td>
<td>$250</td>
</tr>
<tr>
<td>9/15</td>
<td>Victory Fund '88 Federal Account</td>
<td>$1,000</td>
</tr>
<tr>
<td>9/20</td>
<td>Grady Patterson, III for House</td>
<td>$100</td>
</tr>
<tr>
<td>10/21</td>
<td>Liz Patterson for House</td>
<td>$100</td>
</tr>
<tr>
<td>10/21</td>
<td>Nell Smith for Senate</td>
<td>$100</td>
</tr>
</tbody>
</table>

### 1989:

<table>
<thead>
<tr>
<th>Date</th>
<th>Contribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/13</td>
<td>Lyles Glenn for House</td>
<td>$50</td>
</tr>
<tr>
<td>9/30</td>
<td>Bill Bradley for Senate</td>
<td>$100</td>
</tr>
<tr>
<td>10/26</td>
<td>S. C. Democratic Party</td>
<td>$100</td>
</tr>
<tr>
<td>11/8</td>
<td>S. C. Democratic Party</td>
<td>$500</td>
</tr>
</tbody>
</table>

### 1990:

<table>
<thead>
<tr>
<th>Date</th>
<th>Contribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/4</td>
<td>S. C. Democratic Party</td>
<td>$500</td>
</tr>
<tr>
<td>4/19</td>
<td>Theodore for Lt. Governor</td>
<td>$100</td>
</tr>
<tr>
<td>7/3</td>
<td>Grady Patterson for Treasurer</td>
<td>$100</td>
</tr>
<tr>
<td>7/17</td>
<td>Feinstein for Governor</td>
<td>$100</td>
</tr>
<tr>
<td>8/7</td>
<td>S. C. Democratic Party</td>
<td>$500</td>
</tr>
<tr>
<td>8/15</td>
<td>Butler Derrick for House</td>
<td>$250</td>
</tr>
<tr>
<td>9/7</td>
<td>Theo Mitchell for Governor</td>
<td>$500</td>
</tr>
<tr>
<td>10/15</td>
<td>Parnell Starks for House</td>
<td>$250</td>
</tr>
<tr>
<td>10/15</td>
<td>Harvey Gantt for Senate</td>
<td>$200</td>
</tr>
<tr>
<td>10/15</td>
<td>Tom Trantham for Com. of Agriculture</td>
<td>$250</td>
</tr>
</tbody>
</table>

### 1991:

<table>
<thead>
<tr>
<th>Date</th>
<th>Contribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/17</td>
<td>S. C. Democratic Party</td>
<td>$500</td>
</tr>
<tr>
<td>4/6</td>
<td>Gower for City Council</td>
<td>$100</td>
</tr>
<tr>
<td>5/13</td>
<td>Democratic National Committee</td>
<td>$1,000</td>
</tr>
<tr>
<td>8/27</td>
<td>Bill Clinton for President</td>
<td>$250</td>
</tr>
</tbody>
</table>

### 1992:

<table>
<thead>
<tr>
<th>Date</th>
<th>Contribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/5</td>
<td>Verne Smith for Senate</td>
<td>$100</td>
</tr>
<tr>
<td>3/7</td>
<td>Greenville County Democratic Party</td>
<td>$25</td>
</tr>
<tr>
<td>3/11</td>
<td>S. C. Democratic Party</td>
<td>$500</td>
</tr>
<tr>
<td>3/11</td>
<td>Democratic National Committee</td>
<td>$500</td>
</tr>
<tr>
<td>3/17</td>
<td>Johnny Mac Brown for Sheriff</td>
<td>$50</td>
</tr>
<tr>
<td>3/30</td>
<td>S. C. Democratic Party</td>
<td>$50</td>
</tr>
<tr>
<td>4/7</td>
<td>Hollings for Senate</td>
<td>$250</td>
</tr>
<tr>
<td>4/24</td>
<td>Bob Kerrey for President</td>
<td>$200</td>
</tr>
<tr>
<td>6/9</td>
<td>Robert Barber for House</td>
<td>$100</td>
</tr>
<tr>
<td>6/30</td>
<td>Democratic Campaign Committee</td>
<td>$25</td>
</tr>
<tr>
<td>8/8</td>
<td>Alvin Portee for Coroner</td>
<td>$25</td>
</tr>
</tbody>
</table>
January 12, 1993

The Honorable Edward Kennedy
Chair
Committee on Labor and Human Resources
U.S. Senate
Washington, DC 20510

Dear Senator Kennedy:

The National Education Association strongly supports the nomination of Governor Richard Riley as U.S. Secretary of Education and urges the Senate Committee on Labor and Human Resources to recommend his confirmation.

Governor Riley has a thorough understanding of what is required to improve the quality of public education in the United States and to assure access to quality educational opportunity for all Americans. He has extensive experience in education reform and improvement, tremendous rapport with both educational policymakers and practitioners, and a reputation for integrity and fairness that will be invaluable in building a consensus for programs and policies that will advance the National Education Goals. Governor Riley's renown for his achievements in systemic education reform in South Carolina is well deserved. The South Carolina education reform program he sponsored became one of the premier models in the nation.

We recognize that the role of a Secretary of Education is far different from that of a governor, and we are confident that Governor Riley does as well. What is important is that as a former governor, Governor Riley understands the challenges state and local governments face in achieving the National Education Goals. We believe he will be responsive and imaginative in helping address those challenges, and we believe he will be sensitive to the challenges students and education employees face as well.

We strongly support his nomination, and pledge to work with him—and with you—to establish a significant federal role in achieving the National Education Goals.

Sincerely,

Keith Geiger
NEA President

January 11, 1993

The Honorable Edward M. Kennedy
Chairman
Committee on Labor and Human Resources
United States Senate
428 Dirksen Senate Office Building
Washington, D.C. 20510

RE: Confirmation of Richard W. Riley for Secretary, U.S. Department of Education

Dear Chairman Kennedy:

On behalf of the National Association of Independent Colleges and Universities (NAICU), an organization of 800 nonprofit institutions of higher education in the United States, I would like to express our strong support for the confirmation of Richard W. Riley as Secretary of Education. Those who know him in the State of South Carolina and elsewhere, have unanimously extolled Mr. Riley's talents as a chief executive officer, his dedication to service, his fairness, and his humanity. This nation could not find a better candidate to serve the nation's interest in promoting quality in elementary, secondary, and higher education.
Mr. Riley has had a strong and long-standing relationship with private nonprofit colleges and universities. For several years, he served on the board of trustees of the South Carolina College Council, an association of independent colleges and universities, and was a member of the council’s Public Policy Committee. Riley is a graduate of Furman University in Greenville, South Carolina, and has taught there as a member of the political science faculty. In addition, he recently served as chair of Furman’s Partnership for Excellence fundraising campaign. Under his leadership, Furman’s fundraising goal has been exceeded by more than twelve million dollars.

As a state legislator and governor of South Carolina, Riley demonstrated his commitment to maintaining both public and private systems of higher education. While serving in the state senate, Riley was instrumental in establishing the South Carolina Tuition Grant program, which provides grants to students attending independent colleges and universities. In 1992, the tuition grant program received $16 million in appropriations, resulting in an appropriation of $800 per full-time equivalent student. This program is targeted for needy South Carolinians, enabling them to receive an average grant of $2,800. During Riley’s tenure as governor, higher education was adequately funded and independent higher education became a partner in the state’s system of higher education.

By his actions, Richard Riley has demonstrated a genuine interest in education. Education has not been a marginal issue for him, but a centerpiece in his career of service. Our members tell us that Mr. Riley is thoughtful, extremely capable, intelligent, and fair. As the chief executive officer of the Department of Education, Riley will have the department and ability to provide excellent leadership. More importantly, he will be a listener as well as a thinker and doer.

For these reasons, we strongly recommend that Richard W. Riley be confirmed as Secretary of Education.

Respectfully yours,

[Signature]

Richard F. Rosser
President

December 11, 1993

The Honorable Edward M. Kennedy
Chairman,
Committee on Labor and Human Resources
SD-428 Dirksen Senate Office Building
Washington, D. C. 20510-6300

Dear Senator Kennedy:

I am writing to express the support of the American Dental Association for the confirmation of Governor Richard W. Riley as Secretary of Education and request that my letter be included in the committee’s confirmation hearing record.

Both natives of Greenville, South Carolina, Dick Riley and I have known each other personally since childhood. As such, I have firsthand knowledge of his integrity, diligence and dedication to excellence. Over the course of the years we have been friends, my respect for him as a person and my admiration of his accomplishments, both in and out of public life, have remained constant.
I had the honor of working with Governor Riley on several occasions, including as one of his appointees to the Board of Directors of South Carolina Joint Underwriters Association for Medical Malpractice Insurance. I also conferred with the Governor and his office on dental care issues within the state’s Medicaid program. In all of these endeavors he demonstrated a willingness and ability to assimilate competing ideas before making a decision.

As a concerned citizen of South Carolina, I have been impressed by the Governor’s ability to address some of the state’s most pressing needs. To cite one example, his leadership as Governor helped ensure passage of our state’s landmark Education Improvement Act. The changes brought about by this law have significantly improved the educational system.

Finally, as a elected official of the American Dental Association, I am particularly interested in the rising costs of higher education. I am confident that Governor Riley recognizes that education is an investment in the future prosperity of the American society and that he will do everything feasible to ensure that access to such quality opportunities is available to all of our citizens.

Sincerely,

James H. Gaines, D.M.D.
President-Elect

January 8, 1993

Dr. Edward H. Elmendorf
V. P. for Division of Governmental Relations and Policy Analysis
American Association of State Colleges and Universities
One Dupont Circle
Suite 700
Washington, DC 20036-1192

Dear Ed:

Thank you for the opportunity to provide information on the record of Governor Richard W. Riley. This is in response to Senator Kennedy’s request through you. Let me begin by acknowledging that I am personally and professionally an outspoken supporter of him. In particular, I am impressed by his ability to make substantive and effective changes in complex situations. His record in the state is widely known for assembling one of the most effective educational reform packages for elementary and secondary education. More impressive for those who know the situation is his ability to form coalitions among diverse and historically divided groups to accomplish this goal.

The Education Improvement Act of 1983, which, in addition to dramatically changing the expectations and format of public education, imposed an additional penny on the state sales tax, was not only passed, but was demanded by the state as a whole. This was no small feat for a state that has traditionally underfunded education and taken pride in its low tax structure. Riley assembled the basic components, the grass roots support to lobby for its approval, and the private sector endorsements that made its passage a foregone conclusion by the time it arrived in the State House. In effect, his major achievement was not the act itself nearly so much as the overwhelming support from across the state among groups that had never previously seen any common ground.

This trend was demonstrated over and over in his administration. He was a key mover in the development of one of the first multi-state compacts on nuclear waste storage. Under his leadership, the state’s public higher education
institutions moved quickly to develop and implement a comprehensive desegregation plan that is still in effect. Public higher education specifically benefited during his two terms as governor by achieving the highest levels of funding for the last fifteen years. Additionally, he created the South Carolina Research Authority to develop economic development opportunities that would capitalize on the research capabilities of higher education to benefit both the institutions and the state. Finally, he consistently supported the involvement of parents and citizens in the educational process throughout his two terms as governor.

In short, Richard W. Riley is an effective leader who knows how to turn good ideas into effective programs and practices. He is inclusive of all groups and has been a most effective proponent of equal access for all persons, not only for education, but for all of government.

I strongly recommend him as the best possible leader for the U. S. Department of Education in the coming years.

Please contact me if I can be of further assistance.

Sincerely,

Robert E. Alexander

Congressional Research Service • The Library of Congress • Washington, D.C. 20540

January 4, 1993

TO : Senate Committee on Labor and Human Resources

FROM : Wayne Riddle
Specialist in Education Finance
Education and Public Welfare Division

SUBJECT : Education Policies in South Carolina During the Tenure of Richard Riley as Governor

This memorandum was prepared in response to your request of December 29, 1992, for a brief review and analysis of the education policies and legislation promoted by former South Carolina Governor Richard Riley, President-elect Clinton's designee for U.S. Secretary of Education.

Educational Improvement Act of 1984

Mr. Riley was Governor of South Carolina for 1978-1986. While several pieces of education legislation were adopted in South Carolina during this period, the most comprehensive and noteworthy of these was the South Carolina Education Improvement Act of 1984 (EIA). The EIA was adopted in response to a proposal made by Governor Riley, and was one of the earliest efforts to adopt comprehensive, statewide education reform in the period following publication of A Nation at Risk in 1983. This proposal and the subsequent legislation were organized on the basis of 7 "initiatives." These initiatives are listed below, along with the most significant of the specific provisions related to each theme:


2 The specific language used to describe these themes is taken from the legislation.
raising student performance by increasing academic standards—course requirements for high school graduation were increased; passing grades in four academic courses were required for students to participate in extracurricular activities; it was specified that the school day should be 6 hours (excluding lunch); all local educational agencies (LEAs) were required to provide advanced placement (AP) courses in high school; special programs were to be provided for gifted and talented students; pupil discipline was to be enhanced through establishment of "clear rules of behavior," extra law enforcement officers to enforce drug laws in schools, and greater enforcement of school attendance requirements; higher order problem solving skills were to be emphasized in school curricula; kindergarten attendance was to become mandatory (unless a waiver is granted); African-American history and South Carolina history coursework were to be required for all pupils; job placement standards were to be established for vocational education programs; services to certain groups of disabled pupils were to be expanded; and a study was to be conducted of vocational and technical education in South Carolina.

strengthening the teaching and testing of the basic skills—a mandatory basic skills examination was to be administered to pupils in the 10th grade, with passage of it required for high school graduation; stricter pupil promotion policies were to be established; half-day, voluntary preschool programs were to be offered to 4-year old children with "predicted significant readiness deficiencies"; State-funded compensatory and remedial instruction programs were to be provided to pupils in grades 1-6 with low achievement levels; pupil-teacher ratios were to be reduced in certain mathematics and language arts classes; the State's school finance program was to be modified to provide additional funds on the basis of pupils who are in compensatory, handicapped, or vocational programs; and alcohol and drug abuse education and treatment programs were to be established for students.

elevating the teaching profession by strengthening teacher training, evaluation, and compensation—postsecondary student loans for prospective teachers were to be provided, with repayment canceled in return for service; conditional, temporary certification was to be authorized for individuals to teach in areas of critical need; teacher salaries were increased (to be equal to the projected average for the Southeastern States); performance incentive pay was authorized for teachers; standards for approval of teacher training programs in the State's colleges and universities were to be raised; inservice training for currently employed teachers was to be expanded, particularly at Centers of Teaching Excellence; teacher evaluation procedures were to be established; teacher recruitment efforts would be expanded; and grants to individual teachers to implement innovative techniques were authorized.

improving leadership, management, and fiscal efficiency of schools at all levels—an Assessment Center Program was established to evaluate potential principals, as well as train and evaluate them; expansion of inservice training for school administrators; performance standards and evaluation system for school superintendents and principals were to be developed; performance incentive awards for principals were authorized; and standards for approval of administrator preparation programs at colleges and universities were to be raised.

implementing strict quality controls and rewarding productivity—performance incentive grants for schools and LEAs were authorized, the awards to be made on the basis of such factors as achievement test score increases, improved attendance, or increased parental participation; competitive grants to LEAs for the implementation of
Instructional innovations were authorized; annual improvement reports were required to be prepared for each school, such reports to be focused on factors found by research to be effective in improving schools, and to be prepared by school improvement councils that include representatives of parents, teachers, community representatives and, for high schools, students; a Public Accountability Division was established in the State education agency (SEA), to monitor implementation of the EIA and report annually to the public; a select committee of State legislators, the State superintendent of education, plus the governor and lieutenant governor was created, to make recommendations on implementation of the EIA; and intervention by the SEA in LEAs that do not meet minimum performance standards was authorized.

- create more effective partnerships among the schools, parents, community and business—parental involvement in the schools was to be increased, through such mechanisms as school improvement councils (see above), regular conferences of parents and teachers, and parenting skills instruction; business, volunteer, and civic or professional associations involvement in the schools was encouraged; and a Public Education Foundation to support exemplary or innovative programs was to be established.

- providing school buildings conducive to improved student learning—assistance would be provided for the renovation and repair of school facilities, or to subsidize the repayment of school construction revenue bonds.

The costs of implementing this legislation were to be paid by an increase in the State’s general sales tax from 4 to 5 percent, which was included in the EIA. By 1988-89, this earmarked tax was raising approximately $270 million annually for EIA activities. The increased funding has been focused largely on increasing teacher salaries, remedial instruction, school construction, and gifted/talented programs.

While the EIA was quite broad and reflected many of the popular themes of school reform efforts in several States in the early and middle 1980s, certain consistent, functional themes may be identified. These themes include:

- increased services and resources for disadvantaged children;

- enhanced involvement of parents, business, and the community in the schools;

- extensive reporting requirements and other forms of accountability;

- increased pay, higher standards, and expanded evaluation of teachers and administrators;

- a variety of financial incentives for school staff;

- higher standards for pupil achievement and behavior;

- expansion of kindergarten and prekindergarten services;

- while some provisions addressed higher order skills, there was an overall emphasis on basic skills instruction and assessment for pupils; and

- expanded programs for gifted and talented students.
Evidence on Implementation and Effects of the EIA

As with any single influence on educational performance, no matter how comprehensive in legislative terms, it is impossible to precisely specify the effect of the EIA on the educational system of South Carolina. Nevertheless, one of the accountability measures required under the EIA—a series of annual reports entitled *What is the Penny Buying for South Carolina?*, by the SEA's Division of Public Accountability—has attempted to catalog a wide variety of direct, and possible indirect, effects of the Act. Evidence on the effects of the EIA that is cited in these reports includes:

- increase in Scholastic Aptitude Test (SAT) scores between 1984 and 1989 that were greater than for any other State (see further discussion below);
- a 7 percentage point increase in the proportion of high school graduates who directly enter college;
- a doubling of the number of high school students taking advanced placement examinations;
- positive responses by teachers, students, and the public in a variety of opinion surveys;
- increased enrollment in programs for gifted and talented students;
- increased placement of vocational education graduates in jobs related to their training;
- increased percentages of 10th grade students passing the mandatory basic skills examination;
- reductions in the proportion of pupils determined to require compensatory instruction;
- increased overall scores, and reduced gap between African-American and white student averages, on the national Comprehensive Test of Basic Skills (CTBS), a national, norm-referenced, standardized test given to pupils at several grade levels;
- a tie with one other State for the greatest percentage increase in teacher salaries between 1981-82 and 1986-87;
- increased teacher recruitment;
- a 13 percent decrease in private school enrollment between 1983-84 and 1988-89, while public school enrollment marginally increased; and
- large numbers of individual school affiliations with businesses, civic organizations, and individual volunteers;

In addition to the report described above, there are limited sources of information on educational trends in South Carolina that might indirectly reflect the impact of the EIA. It must be emphasized that all of these indicators are quite imperfect as measures of educational quality, although analyses of their specific limitations are beyond the scope of this memorandum. Further, some of these indicators—e.g., increased expenditures for public elementary and secondary education—may be viewed positively by some analyses, but negatively by others (i.e., as "unnecessary" public taxation and spending). These indicators include:

• Average scores for South Carolina students on the SAT rose from a total of 780 in 1981 to 832 in 1991, an increase of 52 points, while national average scores rose from 890 to 896, an increase of only 6 points. However, the South Carolina scores are still well below the national average.

• South Carolina’s average per pupil expenditure for public elementary and secondary education rose from $2,183 in 1983-84, 47th among the 50 States plus the District of Columbia, to $4,088 in 1989-90, with a ranking of 39th. Thus, relative expenditures per pupil rose substantially for South Carolina, but are still well below the national average.

• Average teacher salaries in South Carolina rose from $17,384 in 1983-84, 46th among the 50 States plus the District of Columbia, to $28,301 in 1990-91, with a ranking of 34th. Again, this represents a large increase in ranking, but teacher salaries remain substantially below the national average.

Possible Criticisms of the EIA

As with all education reform legislation, certain criticisms have been, or might be, made of the EIA by some observers. Several of these points reflect primarily the passage of several years since enactment of the EIA; over this time, many educational reform priorities have arisen that generally did not receive substantial attention in 1984. Please keep in mind that one observer’s “negative” criticism, as listed below, may be another observer’s “positive” comment on the EIA. These potential criticisms might include the following.

• The EIA generally placed greater emphasis on basic skills instruction and assessment than higher order skills. In particular, there was little emphasis on making curriculum content more challenging.

• The EIA relied heavily on conventional forms of pupil assessment (standardized, norm-referenced tests) that are currently widely criticized. There was little emphasis on increasing the quality of pupil assessments.

• Some have expressed concern that the various financial incentives in the EIA have lead to “excessive” amounts of “teaching to the test” in South Carolina, or that the incentive programs are unfairly administered.

• The EIA contained no provisions regarding school choice, school based management, or regulatory flexibility.

• While most EIA provisions have been implemented, funds have been inadequate to substantially implement some EIA provisions, especially a provision calling for reduced pupil-teacher ratios and grants for school facility construction and renovation.

• While a variety of spending levels and achievement measures have increased significantly in South Carolina since 1984, the State still is well below the national average on most such measures.

• While South Carolina is not among the States usually deemed to have the greatest disparities among localities in education funding, and some EIA provisions might have indirectly served to reduce finance disparities, the EIA did not directly provide to greater school finance equalization.

• High school dropout rates have not significantly declined, according to the measure used by the South Carolina SEA.
Questions Submitted by Senator Simon to Governor Riley With Responses

1. As Senator Pell pointed out, Federal student aid has shifted dramatically over the past decade from grants to loans. This has prevented many young people from considering college, and that is a loss not only for them but for the Nation. The National Service Trust Fund and income-contingent repayment will help some students, but there is still a very real need for grants and other types of assistance such as work-study. What is your thinking in this area?

1. As I mentioned to Senator Pell, I am well aware of the fact that the Pell grants have stayed relatively consistent while the costs of higher education have skyrocketed. I am in agreement with President-Elect Clinton’s proposal that a National Service Trust Fund and income-contingent repayment should exist independently of the Pell system currently in place.

2. I was pleased with the answer that you gave to Senator Kassebaum regarding the problem of “labeling” students through tracking and ability grouping. Destructive labels just create an expectation rates from poor children tend to live up, or down, to the expectations that adults set. As you know, this problem can affect any student, but is particularly troublesome when it is applied in a way that discriminates on the basis of sex or race. For nearly two years, I have urged the Education Department’s Office for Civil Rights to play a more active role in both educating school districts about tracking problems (and solutions), and enforcing civil rights cases in this area. Is this consistent with your philosophy of the Federal government’s role? What more can the Education Department do to stop destructive labeling and grouping practices?

2. I am pleased to learn of your efforts to see that the Office of Civil Rights fulfills its duties with respect to ability grouping and tracking. I agree fully with you that grouping and tracking practices, as presently employed, often lead to inequities based on race, gender, or social class. This is in part because these practices reinforce lower expectations for certain classes of students, expectations which often become a self-fulfilling prophesy.

One of the most important strategies for addressing this problem is to set high standards for what all students should know and be able to do, provide all students with an opportunity to meet these standards, and encourage states to hold schools accountable for their success. This is a strategy we have used quite effectively in South Carolina, and, if confirmed, I will work to apply it nationally.

If confirmed, I will also review the efforts of OCR in this area, and ensure that the Office is fulfilling its obligations in this area.

3. There have been some real abuses by a few schools in the student aid program, and we included some provisions in the Higher Education Amendments last year that I hope will help students who may have been hurt. To prevent further abuses, Congress and the Education Department eliminated colleges and trade schools with high default rates from the student aid programs. Default rates are a very crude measure of school quality, however. While a high default rate may be a sign that a school is not providing a good education, it may, instead, be the result of the school serving a very low-income population, for whom a higher default rate is inevitable. We should not discourage schools from serving low-income students. How can the Federal government do a better job of ensuring that only quality programs participate in the student aid programs, without denying postsecondary education to the students who may need it most?
3. I am aware that Congress took important steps to reduce the default rate and the problems it creates through the Higher Education Amendments last year. While I have not yet had a chance to study each of these provisions in detail, I agree strongly with the general direction they provide. At the same time, I share your concerns about the limitations in default rates as a measure of quality. I am particularly concerned about the potential impact of these measures on Historically Black Colleges and Universities and other institutions working hard to serve low-income populations. I will pay very careful attention to these concerns in the implementation of these provisions. I would welcome your thoughts on how best to balance these concerns.

4. Foreign language education and international understanding are fundamental components of our economic competitiveness and our national security. Exposing students to other languages and cultures is an investment that we must make in our nation's future. How can the federal government best address this need? Would you support legislation to encourage more students to become foreign language teachers and/or legislation to encourage all states to offer foreign language education to their students?

5. Impact Aid generally covers only a third of the costs of educating military children. This leaves taxpayers with most of the burden, but without the tax base to pay for it. For example, in North Chicago District 187, where 48 percent of the students are federally-connected, Impact Aid provides less than 10 percent of the budget. The people of North Chicago have made every effort to provide a quality education for their students. They passed a referendum that increased property taxes to one of the highest rates in Illinois, yet this year's budget shortfall forced North Chicago to cut 45 of 140 teachers. How can the problem of Impact Aid inadequacies be addressed? What can the federal government do to help communities where it is not working, such as North Chicago? Would you support transferring responsibility for this program to the Department of Defense?

5. I am sympathetic to under-coverage problems with Impact Aid. I stand for improving education for all children including those from military families. As I mentioned in my opening statement to you, I will coordinate education efforts across the government in order that we reduce the fragmentation in federal programs. Involving the Department of Defense in order to reduce Impact Aid inadequacies might be a good idea. I will not rule out any plans of improving our educational system. You can be assured that I will consider this option.

6. Twenty-three million Americans are functionally illiterate. The National Literacy Act, which I authored during the 102nd Congress, promotes literacy services in the community, the family, and the workplace. In addition to expanding the federal commitment to promoting literacy, the Act creates the National Institute for Literacy to coordinate federal efforts to help illiterate adults. As Secretary, you—along with the Secretaries of Labor and Health and Human Services—will serve on the Interagency group overseeing the Institute. How high a priority will adult literacy be under your tenure at the Department of Education? How can we do more (along the lines of the Even Start Family Literacy program) to break the intergenerational cycle of illiteracy?
6. Improving adult literacy levels will be a priority for me. Significant improvements in this area are a necessary part of an overall strategy to improve our Nation’s economic competitiveness and the opportunities open to millions of Americans. During the election campaign, President-elect Clinton spoke often of the need to improve adult literacy, and of his own substantial efforts on behalf of adult literacy in Arkansas. As Governor of South Carolina, my wife Tunky, and I were involved in efforts to expand adult education programs and reduce illiteracy.

If confirmed as Secretary of Education, I will give high priority to implementing the provisions of the Adult Literacy Act and other federal programs aimed to breaking the intergenerational cycle of illiteracy.

7. Since the establishment of the White House Directive on Historically Black Colleges and Universities (HBCUs) under President Carter, and subsequent executive orders by Presidents Reagan and Bush, the responsibility for coordinating HBCU issues at the Federal level has rested in the Department of Education. Many HBCU presidents have urged that the coordination responsibility return to the Executive Office of the President, since HBCUs deal with a number of different Federal agencies. In 1989, I joined with 26 other Senators in urging President Bush to make the change. Is this something that the transition team has looked into? Would you support the shift?

7. I believe in and support Historically Black Colleges and Universities. The issue of whether the coordination responsibility of HBCUs should be shifted from the Department of Education to the Executive Office of the President is not one that I have had a chance to study appropriately. I will, however, give this issue proper attention over the next several months.

8. Last year, Congress added a new program in the Higher Education Act, the HBCU Capital Financing Act, to provide Federal guarantees to help HBCUs get commercial construction bonds. In order to get this program off the ground, a small appropriation is needed. Will you look into this matter and let me know what the prospects are for including it in the President’s proposed budget for the Education Department?

8. Again, I recognize and support the need for HBCUs to be as strong as possible. I am not totally familiar with the finer details of the HBCU Capital Financing Act, but will look into this issue at your request.

Questions Submitted by Senator Harkin to Governor Riley With Responses

1.) RURAL SCHOOLS – Just as there are unique problems facing our nation’s inner-city schools, there are unique problems facing rural schools. When compared to American children at large, rural children are more likely to be poor, more likely to drop out of high school and less likely to have health insurance coverage or access to health services. In addition, child care, especially educationally oriented preschool, is in short supply in rural areas and teachers have less experience, fewer training opportunities and higher rates of turnover. Rural students attend schools that have lower revenues than their metropolitan counterparts.

* What will the Clinton Administration do to improve educational opportunities for the 6.6 million children in rural schools, especially in making sure rural children enter kindergarten ready to learn?
2.) GENDER EQUITY - The American Association of University Women issued a major report last year entitled "How Schools Shortchange Girls." The report found that U.S. public schools are not providing an equitable education for girls and that sex discrimination in schools has not been eliminated by Title IX of the 1972 Education Act Amendments. This is of great concern to me not only as a policy maker, but also as the parent of two daughters.

* Will it be a priority of Department of Education to abolish gender-based inequalities in our nation's schools?

3.) IMPLEMENTATION OF PART B OF IDERA - The basic policies set out in part B of IDEA, also known as P.L. 94-142, and its implementing regulations are clear:

* the states have an obligation to provide a free appropriate public education (FAPE) to every child with a disability;
* FAPE must be based on the unique needs of each child as determined through the process of developing an individualized education program (IEP);
* placement decisions must be made on an individual basis based on the child's IEP;
* to the maximum extent appropriate, children with disabilities must be educated with children who are not disabled and children may be removed from the regular educational environment only when the nature and severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily;
* a full range of alternative placements must be made available to the extent necessary to implement a child's IEP; and
* placement decisions may not be based on category of disability, the configuration of the delivery system, the availability of educational or related services, the availability of space, or administrative convenience.

More than 15 years after the passage of 94-142, we continue to have significant state-to-state variability in placement patterns, state funding formulas that discourage the placement in regular education classrooms of students with disabilities who can, with the use of supplementary aids and services, achieve satisfactorily in such classrooms, and inadequate and untimely compliance review and subsequent corrective action. The Arc (formerly the Association for Retarded Citizens) recently published a "Report Card" documenting on a state-by-state basis the degree to which children with mental retardation are included in the regular classroom for all or a portion of their education. Only eight states were given a passing grade of "C" or "D" in this regard - the rest received a grade of "F". The Education Department's own figures support The Arc's report - only 1.2 million of the more than 4 million students with disabilities are totally integrated into regular classes, 30% are educated in separate buildings or classrooms, and another 37% receive some special education services outside regular classes.

At an oversight hearing I held in Iowa in 1991, I found problems of lack of consistent compliance and quality in the provision of special education and related services to children with disabilities. We need to find ways at the federal level to address this lack of consistency both within and among states in the implementation of part B.

There are several concerns that I have in the area of monitoring, enforcement, and complaint resolution of part B. There appears to be a focus in the current monitoring system almost solely on process, not on outcomes for children with disabilities. This leads to "paper compliance," which does not necessarily
reflect what is happening to these students. To illustrate, while the national goals for education include that 90% of high school students will graduate from high school, a 1989 study by SRI International found that only 56% of students with disabilities graduate, with fewer than 70% involved in a productive activity one year after leaving school.

Another area of concern involves the corrective action process. For example, the Office of Special Education Programs identifies the same kinds of violations in the least restrictive environment requirements in state after state, year after year. Despite these findings, the same types of deficiencies in compliance with 94-142 continue to occur.

The length of time between monitoring visits is also a concern. Last year, I succeeded in getting the Department of Education to add nine monitors in an effort to decrease the monitoring cycle from six years to three years. It is now my understanding, however, that this will not occur since the travel budget for monitors has been cut drastically.

* What steps (such as more frequent and effective monitoring of state programs, withholding funds from states that are in noncompliance, and involving the disability community in the improvement of the monitoring process) will you take to assure that the signal is sent to the states that the administration expects the states to fully comply with 94-142 and to provide a free appropriate public education in the least restrictive setting to all students with disabilities?

ADDITIONAL ISSUES OF PARTICULAR CONCERN TO SENATOR TOM HARKIN

1.) EARLY INTERVENTION - Like you, I am a strong supporter of early childhood programs, but have been disappointed by the lack of attention paid to this issue by the Department of Education in recent years. I believe that the health and education of a child are integrally linked and would like to see better coordination between Departments. In the previous Administration, I pushed Secretaries Sullivan and Alexander to create an interagency task force to address this important issue but have not been satisfied with the results. I was pleased to hear that you pledged to work closely with, not only the Department of Health and Human Services, but also with the U.S. Department of Agriculture on the health and nutrition issues that are so vital to making sure our children start school ready to learn.

2.) PELL GRANT SHORTFALL - I expect your biggest budget problem this year will be the Pell Grant shortfall. As appropriations subcommittee chairman, it's something I'm naturally concerned about as well. Last year we couldn't fund the entire shortfall and deferred a solution to FY 1994. I understand in the meantime the Department of Education has a new estimate showing a significantly higher shortfall than last spring's estimate of $1.4 billion. I look forward to working with you to find a solution to this serious budgetary problem.

3.) HEALTH EDUCATION - I strongly believe that one key to improving the health of all Americans and reducing health care costs is to educate our children early on about what steps they should take to maintain a healthy lifestyle. There are currently a number of programs within the Departments of Education and Health and Human Services dealing with school health education. I would urge your support for an expanded, coordinated school health education program that addresses the range of health concerns including nutrition, exercise, sex education, AIDS and prevention of tobacco use.
4.) STUDENT LOAN DEFAULTS - In 1991, the federal government paid out $3.6 billion to make good its guarantee on defaulted student loans, continuing a trend of escalating losses. While acknowledging that department mismanagement has contributed significantly to the problem, past Administration have been unable to control defaults. Again, I would look forward to working with you to resolve this serious problem.

5.) ELEMENTARY SCHOOL COUNSELING DEMONSTRATION ACT - The Des Moines School District has a very successful counseling program in the elementary schools called Smoother Sailing. With an aggressive counseling program in the elementary schools they have seen increases in the self esteem of students, reduction of classroom disruptions and improvements in student performance. During the past two sessions I introduced the Elementary School Counseling Demonstration Act which would authorize $5 million in demonstration grants to start similar counseling programs in other elementary schools. I would encourage the Clinton Administration to support this legislation.

6.) ACCREDITATION - One of the important responsibilities the Secretary of Education exercises is in the area of accreditation of post-secondary educational institutions -- an action which determines the eligibility of those institutions for federal tuition assistance and federally guaranteed students loans. Action by the Congress and your predecessor have cleaned up many of the abuses in the area of student tuition aid and assistance. This was primarily accomplished by strengthening the accreditation system to ensure that institutions which have demonstrated non-compliance with their obligations as a reliable accreditor of schools in their area of expertise have their recognition as an accrediting agency revoked. I urge your continued support of these activities.

DISABILITY POLICY - President-elect Clinton has made some very exciting and powerful statements, with which I am in wholehearted agreement, regarding disability policy in the new administration. I was particularly pleased when he has stated that his administration’s disability policy will be based on three simple creeds: inclusion, not exclusion; independence, not dependence; and empowerment, not paternalism. As Chair of the Subcommittee on Disability Policy, I have been guided by these same principles. In addition, President-elect Clinton has pledged that his administration will make the implementation and enforcement of the Americans with Disabilities Act a top priority and has made the following specific points regarding his agenda for education and persons with disabilities:

* Head Start and other early intervention programs that will assist children with disabilities will be fully funded.
* Children with disabilities must be included in regular school activities.
* Children with disabilities deserve a first-rate education, tailored to their unique needs, but provided alongside their non-disabled peers.
* Education and training for Americans with disabilities has been underfunded and pushed outside of national efforts.

I have attached copies of President-elect Clinton’s statements in this regard.

7.) ADA AND EDUCATION - Education is one of the keys to making the promise of the Americans with Disabilities Act a reality for the next generation of children with disabilities.

As Chair of the Subcommittee on Disability Policy, I am looking forward to working with you to develop strategies for carrying out President-elect Clinton’s agenda as it relates to the education and training needs of persons with disabilities.
8.) EARLY INTERVENTION - Part H, added to the Individuals with Disabilities Education Act (IDEA) in 1986 and reauthorized in 1991, provides early intervention services to infants and toddlers with disabilities. The provision of early intervention services that have a coordinated, family-centered and community-based focus can make a noticeable difference in the ultimate level of independence achieved by a child with a disability. Although the Bush administration did not ask for meaningful increases in this area, I pushed for and got significant increases for the early intervention program for infants and toddlers with the program growing from $50 million to $213 million.

I was pleased when President-elect Clinton stated that early intervention will be a high priority for his administration and that in addition to fully funding Head Start, he will also fully fund early intervention programs for infants with disabilities. Nationally, the Part H early intervention program is at a critical juncture with a number of states making decisions about whether they will continue their commitment to this program. Thus far, only about 20 states have fully implemented the program. The Clinton administration can make a real difference in the lives of infants and toddlers with disabilities by sending the signal to the states that early intervention has the full support of the administration.

9.) SCHOOL REFORM - The proposals for school reform put forth by the Bush administration did not adequately address the needs of students with disabilities. I believe that it is crucial that any school reform legislation include consideration of the needs of students with disabilities at the outset and not as an afterthought. The principles embodied in P.L. 94-142 must be incorporated into any school improvement legislation. It is important that any school reform efforts guard against any unintended adverse consequences for students with disabilities (such as increased segregation). Inclusion of students with disabilities as part of any school reform has gained broad support throughout the education community and has been endorsed by numerous groups including the National Association of State Boards of Education.

I would like to work closely with you during the design stage of any school reform initiatives to assure that the education and training needs of people with disabilities are addressed.

10.) THE REHABILITATION ACT AMENDMENTS OF 1992 - The Rehabilitation Act Amendments of 1992, enacted during the last session of Congress, make significant changes by incorporating the values of the Americans with Disabilities Act into the Rehabilitation Act. The amendments require that state rehabilitation programs be carried out in a manner consistent with the principles underlying the Americans with Disabilities Act of empowerment of individuals with disabilities, integration and inclusion, full participation, meaningful and informed choice, and involvement of families and natural supports. In addition, the amendments are intended to streamline access and reduce administrative duplication and waste within the current system.

The amendments represent a bipartisan, consensus effort and were developed with significant input and dialogue with the disability community and all other interested parties. The Department of Education has begun the process of implementing the changes. It is the perception of many of those involved that the Bush administration has not continued the open dialogue that marked the legislative process. Rather, it appears that it is back to business as usual with little input being sought on the development of the regulations. The disability community is excited about many of the things President-elect Clinton has said about including people in the process as we did with these amendments. You are in the position to make this promise a reality through the implementation of the Rehabilitation Act Amendments.
It is important that the Department of Education work with people with disabilities and disability organizations to assure that those affected by the regulations are actively involved in the development of regulations to implement the reauthorized Rehabilitation Act and that the regulations result in full implementation of the changes Congress intended in the rehabilitation system including the meaningful involvement of persons with disabilities in program development at both the individual and systemic level.

11.) DEPARTMENT OF EDUCATION PERSONNEL - In order to have effective leadership in the Department of Education on issues related to the education and training needs of persons with disabilities, each of the Assistant Secretaries must have a genuinely held commitment to working together to improve the quality of instruction in regular education settings for all children, including children with disabilities who can, with the use of supplementary aids and services, achieve satisfactorily in regular education classrooms. In order to assure that the needs of persons with disabilities are considered in the development of policy and practices in the Education Department there is a need for personnel within the Department who are knowledgeable about disability issues.

It is important that people with disabilities are appointed to positions within the Department. In addition, individuals in all positions in the Department of Education need to be knowledgeable about the needs of people with disabilities.

12.) ADA TECHNICAL ASSISTANCE - The Americans with Disabilities Act clearly provides authority to the Department of Justice to coordinate technical assistance in order to assure that there is consistent information provided and to avoid duplication of efforts of the various executive branch agencies involved in implementation of the ADA.

The Rehabilitation Act Amendments of 1992 made the coordination role of the Attorney General even more clear by directing the Director of the National Institute on Disability and Rehabilitation Research (NIDRR) to coordinate all technical assistance efforts with the Attorney General.

There is currently $5 million for ADA technical assistance administered through NIDRR. It is critical that these funds be expended in a manner consistent with the needs for technical assistance identified by the Justice Department.

13.) COOPERATION AND COORDINATION - There are a number of areas where cooperation and coordination with other agencies in the executive branch are crucial to providing the optimum services for persons with disabilities. For example, proper nutrition and prenatal care are within the province of Health and Human Services, but they are also important components of any program designed to assure that all children enter school ready to learn. New job training initiatives, such as the national apprenticeship program, undertaken by the Labor Department must take into consideration the needs of persons with disabilities.

14.) PERKINS ACT - In 1990, Congress replaced the set-asides for students who are disabled or disadvantaged in the Perkins Act with a requirement for their "equitable participation," including services necessary for participation. It was the intent of Congress that recipients of Perkins funds would provide special needs populations with equal and effective access to integrated academic and vocational education programs.

The regulations promulgated by the Department of Education required that only "projects" (the specific activity rather than the
entire vocational program) receiving federal funds have to provide assurances that supplementary and other services are available to special populations. Congress used the term "program" throughout the legislation so that the required assurances would extend to the entire vocational education program provided by the recipient of the funds, consistent with the requirements embodied in P.L. 94-142, the Americans with Disabilities Act and section 504 of the Rehabilitation Act of 1973.

I hope that you will review these regulations and make any necessary changes to guarantee that the signal is sent to the states that special needs populations must have equal and effective access to vocational education programs.

Questions Submitted by Senator Mikulski to Governor Riley With Responses

QUESTION 1:

AS YOU KNOW, WE ARE CURRENTLY IN A HEALTH CARE CRISIS. OUR CHILDREN'S HEALTH CARE NEEDS ARE VERY MUCH A PART OF THAT CRISIS. IN AN EFFORT TO GET THE DEPARTMENTS TO WORK TOGETHER, TELL ME YOUR THOUGHTS ON HOW THE DEPARTMENT OF EDUCATION CAN WORK WITH THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO GET OUR KIDS HEALTHY AND READY TO START SCHOOL?

1. Interagency Coordination. Particularly with HHS:

I agree with you that our nation is facing a health care crisis, especially with respect to young children. As you may know, one of my most important priorities in public life, along with education, has been infant mortality and health care. I have had a long-standing interest in preventive health measures.

The Department of Health and Human Services has a critical role to play with respect to the national education goal of ensuring that all students are healthy and ready to start school, as well with the health of children and youth more generally. I support Head Start and childhood immunization programs that contribute to the national goal, as well as efforts to locate health services in or near schools. If confirmed, I will look forward to working very closely with Secretary Shalala on these issues, and to ensuring that the efforts of the Departments of Education and Health and Human Services are closely integrated.

QUESTION 2:

JUST YESTERDAY, I VISITED A LOCAL SCHOOL IN MARYLAND. THESE 8TH GRADERS TALKED ABOUT ISSUES THAT CONCERN THEM. MR. RILEY, I MUST TELL YOU, THE AWARENESS LEVEL OF THESE KIDS IS ASTOUNDING. I'M NOT TALKING ABOUT KIDS FROM THE SUBURBS, AND THESE KIDS ASKED SOME TOUGH
QUESTIONS. THE ISSUES THEY RAISED THE MOST THAT SEEMED TO CONCERN THEM MOST, WAS CRIME. OUR YOUNG KIDS ARE GOING TO SCHOOL EVERY DAY IN FEAR OF CRIME. I HOPE THIS PROBLEM BECOMES A FOCUS OF YOUR ADMINISTRATION.

WHAT IS YOUR RESPONSE TO THESE KIDS CONCERNS AT CANTON MIDDLE SCHOOL AND WHAT ADVICE WOULD YOU GIVE THEM?

2. Canton Middle School Students’ Concern About Crime in School:

I hope you will tell the children at Canton Middle School that together we must do everything possible in the coming years to change the climate of fear and violence that exists in too many schools today. I hope you will also tell them that I need their help and ideas to make the changes that will lead to safe schools. As you know, safe schools is one of the six National Education Goals. If we don’t make our schools safe in the coming years, it will be very hard to reach the other educational goals.

I look forward to being a part of a broad-based effort to combat violence and crime in the schools. This effort must involve all pertinent agencies in the federal government working closely with states and communities, because unsafe schools are caused by factors that occur largely outside of schools. We need to alleviate the conditions that lead to crime and to punish swiftly when it occurs.

President-elect Clinton supports new forms of punishment for young offenders, such as boot camps, that break the cycle of crime early and teach young offenders the values of responsibility and self-discipline through the kind of tough love measure found in the military. Yet punishment and security measures are just one part of the solution. Beyond this, the long-term challenge is to restore hope in ALL our young people, to restore their belief that hard work and study will prepare students for good jobs and a good future. This requires several actions. We need to improve our schools. We need to make sure that all our students have access to good schools. We need to make sure all students are prepared to enter school. We need to make sure that we give them the support they need for success.

I think also that the changes in the higher education finance system, including income-contingent pay back, national service and youth apprenticeship programs that the President-Elect has proposed can have a dramatic benefit on the lives of young people and reduce the influences that lead to criminal behavior. I believe it will help give young people a sense of hope and connection to their communities by learning the values of citizenship and responsibility through meaningful service.

QUESTION 3:

AS YOU KNOW, OUR WORKFORCE HAS CHANGED TO A HIGH TECH SERVICE ECONOMY. IN ORDER TO COMPETE IN THE 21ST CENTURY, WE NEED TO PREPARE AMERICAN STUDENTS AND RETRAIN AMERICAN WORKERS FOR THE NEW HIGH TECH INDUSTRIES.

WITH NEW QUALIFICATIONS NEEDED, HOW DO YOU PROPOSE THAT WE STRUCTURE OUR EDUCATIONAL PROGRAMS TO PREPARE AMERICANS FOR HIGH TECH JOBS AND WHAT ROLE DO YOU THINK COMMUNITY COLLEGES PLAY IN THIS PROCESS?
3. Role of Community Colleges in Preparing High Tech Workforce

I expect that community colleges will play a very, and increasingly important, role in the preparation and training of our workforce. As you know, President-elect Clinton made workforce preparation and training a central feature of his strategy for long term economic improvement. One component of this strategy is the creation of a national youth apprenticeship program, which will involve students in paid work and in classroom based learning, for the last two years of high school and in most cases additional years of postsecondary education. While these programs must be designed locally in order to succeed, I anticipate that community colleges will play an important role in providing the postsecondary training. I also expect that community colleges will be one of the major training providers for dislocated workers and for those who need to upgrade their job skills.

If confirmed, I will work closely with Secretary Reich and Secretary Brown to bring about the collaboration between the education, business and job training communities that will be needed to prepare our workforce for a high tech future.

QUESTION 5:
MATURE AND OLDER AMERICANS ARE OFTEN LEFT OUT OF THE EQUATION WHEN IT COMES TO EDUCATION PROGRAMS. BUT THEY DO IN FACT HAVE A GREAT NEED TO LEARN NEW SKILLS. THEY HAVE MADE USE OF OUR OUTSTANDING COMMUNITY COLLEGES AND THAT'S GOOD. HOWEVER, I RECOMMEND THAT OLDER AMERICANS BE INCLUDED AS PART OF YOUR EDUCATIONAL POLICY.

WHAT IS YOUR VIEW ON HOW TO CONTINUE TO INCLUDE OLDER AMERICANS IN YOUR EDUCATION PLATFORM?

5. What is your view on how to continue to include older Americans in your education platform?

I think it will be very important to involve older Americans in all levels of education—both for the development and growth of their knowledge and skills and for the benefit of younger generations. This last decade it has become clear, as people have lost their jobs in a fast-changing workplace, that this nation must have a commitment to lifelong learning. If confirmed as Secretary of Education, I will work to end the fragmented system of programs and policies that treat education as a series of isolated events. Instead, I want to see in place an integrated system that considers education to begin before a child enters kindergarten and continues throughout the life of the individual. Older Americans must be a part of this system.

QUESTION 6:
I KNOW YOU ARE VERY FAMILIAR WITH PRESIDENT CLINTON’S NEW NATIONAL SERVICE PROGRAM.

WHAT ARE YOUR VIEWS ABOUT PRESIDENT CLINTON’S NEW NATIONAL SERVICE PROGRAM?

6. National Service:

President Clinton’s National Service proposal is an exciting undertaking. In fact, this concept was an important piece of the Clinton/Gore campaign. No proposal evoked wider or more enthusiastic responses than linking national service to broadened access to education, training, and opportunity.
As currently envisioned, national service would simultaneously broaden opportunity for education, training, and economic empowerment, emphasize individual responsibility to give something back for this increased opportunity, and build community by bringing people together to address urgent national needs.

**QUESTION 4:**

DISCRIMINATION IS A SERIOUS PROBLEM IN OUR COUNTRY AT ALL LEVELS. THE EDUCATIONAL SYSTEM HAS NOT BEEN EXCLUDED FROM THIS PROBLEM. ONE BIG CONCERN I HAVE CONCERNS GENDER DISCRIMINATION. OUR SCHOOL AGED GIRLS ARE BEING CHEATED OUT OF A GOOD EDUCATION. THEY ARE NOT BEING EXPOSED TO MATH AND SCIENCE THE SAME WAY THAT THEIR MALE CLASSMATE ARE AND, IN FACT, ARE OFTEN DISCOURAGED FROM PARTICIPATING IN CLASSROOM DISCUSSION.

WHAT ARE YOUR THOUGHTS ON GENDER DISCRIMINATION IN THE CLASSROOM?

4. Gender Discrimination:

A primary mission of the Department of Education is to ensure that all Americans are afforded equal educational opportunities, regardless of what race, sex, national origin, religion or disability. Like you, I recognize that discrimination is an issue which permeates every level of American society. Special concerns have been raised in reference to the education of female students, especially in the areas of math and science. If confirmed as Education Secretary, I have every intention of working to guarantee that all Americans have equal educational opportunities in general, and particularly in those areas which will prepare our country for the next century. My efforts will be focus on students at every level.

Questions Submitted by Senator Wellstone to Governor Riley With Responses

1) Equity financing

What was your experience in South Carolina in moving the state towards a more equitable funding for public schools?

What do you think the role of the federal government should be in the area of equalizing the funding and services for public schools within a state, and in equalizing opportunities across state lines?

Over the past decade there has been a growing gap between rich and poor. What are some of your ideas about how we can use education to begin to close this gap?

1. Equity Financing

While serving in the South Carolina state legislature in the early seventies, I was a leader in developing the Education Finance Act equalizing financing across school districts in the state.
The question of equalization is extremely complex, and there are no magic bullets that will automatically resolve the issue, especially at the federal level. The federal government must create a climate that supports state equalization efforts. I would be interested in exploring the possibilities of incentives the federal government can use to encourage states to take such action.

2) Teacher training

What role can the federal government play in improving teacher training and rejuvenating teachers?

2. Teacher Training

None of our systemic reform efforts will succeed unless we find ways of providing substantial support to classroom teachers, in the form of continuing professional development and other opportunities for growth. The federal government already plays a role in this process, for example, through the Eisenhower Math and Science Program. Provisions for professional development were also included in Title V of the Higher Education Amendments of 1992. As we work together to reauthorize the Elementary and Secondary Education Act, I believe we must work to build a significant and coherent federal role in supporting teachers and improving their capacity to help all children achieve high standards.

3) National Community Service

A national community service program was one of President-elect Clinton's most important proposals during the campaign. How fast do you think you along with others in the new Administration can move on this proposal?

What do you think of the idea enabling all people to participate in a national community service program that would allow people to earn credits that are transferable? For example designing a program that would allow grammar school students to serve and build up credits to pay for college or a grandmother of that child to serve and pass her credits to her grandchild so she can use them to go to college?

These days our colleges and universities are filled with non-traditional students. They should be able to participate in the national community service programs that help them pay for their education. Do you support the idea that any national community service program should be flexible to include non-traditional students? Do you support the idea that people should be able to participate before, during and after school?

3. National Community Service

As you know, President-Elect Clinton has made the National Service concept an important part of his campaign.

Your ideas for accumulating and transferring service credits and for ensuring that non-traditional students can participate deserves further consideration. A specific proposal for the National Service Trust Fund is still under development.

Service activities are important for citizens of all ages.

4) Testing and Standards

What are your views on national testing?
4. Testing and Standards

Standards should be voluntary, challenging and national but not federal. We need a system of national standards and assessments to raise expectations for student performance and give direction to local, state and federal reform efforts. I do not support a single national test, but a national system of evaluations that are voluntary to states and localities.

5) Commitment to fully fund Head Start

Are you committed to fully fund Head Start? How do you intend to work with others in the cabinet, especially the Secretary of HHS and the Secretary of Agriculture to see that the WIC program is fully funded?

5. Head Start

Of course, the Department of Education does not directly administer the Head Start program. I am, however, firmly committed to supporting the healthy development of infants and children, and helping all children arrive at school ready to learn. I pledge to work closely with the Secretaries of Health and Human Services, and Agriculture to coordinate efforts across our Departments.

6) Meet with the participants in our December meeting

In December I met with a number of educators from across the country. It was an amazing group of people. I think you should hear their ideas about reforming public education. Would you be willing to meet with them when they are in Washington?

...continued...

I am always willing to listen to committed education professionals. When the time comes, be sure to contact me regarding this proposal. Barring any serious scheduling conflicts, I will look forward to such a meeting.

Questions Submitted by Senator Kassebaum to Governor Riley With Responses

LOCAL VERSUS STATE AND NATIONAL CONTROL

I feel very strongly that the reform work in education ought to be done in the field at the local level. I believe that school boards, principals, teachers, and parents should have sufficient control of the decisions affecting their schools.

• Would you please share with me your views on the appropriate state and local roles and the division of power and authority between these two levels which you will be operating under as you prepare federal proposals as the Secretary of Education?

1. Local vs. State and National Control

I agree that the most important work of education reform must be done at the local level. Educators, parents and local governing bodies must do the hard work of restructuring our schools, and they must have the discretion and flexibility to carry out that task.

The role of state vs. local governments in education reform varies significantly from state to state, and I will respect those differences if confirmed as Secretary of Education. The federal role must be to stimulate, support and guide state and local efforts, and to provide assistance to those students with special needs.
FEDERAL INTRUSION

As I have mentioned, I believe that local school districts and boards should maintain control over their neighborhood schools and am very wary of unwarranted and needless federal control. I am sure you share my concerns being a former state official.

- Just to get a state perspective, in your experience as a governor, were there any federal actions that you found particularly intrusive?

2. Federal Intrusion

In my experience as Governor, the cumulative effects of federal regulations of schools were more significant than any of the effects of particular regulations. Together with state and local rules and regulations, they create an environment which impedes fundamental change, because educators believe that "they" won't let us undertake significant innovation. One specific example of this is the regulations governing Chapter 1. Historically, they have focused on accounting for the allocation of resources rather than on the results they achieve for students.

OUTCOMES

There has been some discussion that in the next reauthorization, the focus should change from compliance and enforcement to outcomes. From my understanding, in your state reform efforts, you included an accountability component that focused on outcomes.

- What were some outcome measurements that were used in your state? What happened if a school did not achieve those outcomes? What happened if a school was successful in achieving those outcomes? How involved was the state in dictating what the school had to do to achieve those outcomes?

3. Outcomes

Under the Education Improvement Act, we used a variety of outcome indicators to judge school performance, including measures of student achievement in each quartile, student and teacher attendance, and parental satisfaction. These measures are being expanded to include a reduction in the dropout rate and a measure of problem-solving skills. High performing schools received awards in the form of discretionary funds, to be used for further school improvement as the school saw fit. School districts which persistently failed to meet performance expectations received technical assistance to help develop and implement improvement plans. If this failed to correct the problems, they were identified as academically deficient and the superintendent was subject to removal.

SCHOOL DELIVERY STANDARDS

Some members of Congress who advocate the adoption of national school delivery standards (what every school should provide to students) to assure that students have an adequate opportunity to learn. It seems that this could be at odds with the focus on outcomes rather than inputs.

- Do you feel that adoption of national school delivery standards is an appropriate federal activity? Also, is it the most effective way to assure that schools are providing students with the best learning environment?

4. School Delivery Standards

I fully understand and appreciate the concern of those Members of Congress, educators and others who believe that school delivery standards must be developed in order to assure that all students have an opportunity to achieve high national standards. Without a level playing field, higher standards will otherwise work to the detriment of the most disadvantaged students in the Nation. At the same time, I share the concern of those who fear that, unless we are very careful, school delivery standards will become an additional layer of input regulations. I am very much in agreement with those who believe we must move from an emphasis on regulating inputs to a focus on outputs, as we did in the Education Improvement Act in South Carolina and a follow up piece of legislation Target 2000.
If confirmed, I will work to devise a variety of strategies to help ensure that all students have an opportunity to reach high national standards.

NEW PROGRAMS

There are currently about 225 separate programs run by the Department of Education. Nine of these programs have appropriations in excess of $500 million.

• Would you favor the authorization and development of new programs, or an effort to target funds to proven programs?

Do you anticipate a number of new programs to be proposed by Mr. Clinton?

5. New Programs

I share your concern about the proliferation of small, categorical programs. If confirmed, one of my priorities will be to look for ways in which existing programs can best be coordinated at the federal level, so they can be effectively integrated in local schools.

President-elect Clinton has proposed a small number of very important and exciting new programs, such as a systemic education reform package, Youth Apprenticeship and National Service Trust Fund. I intend to vigorously support these, and to help shape them so that they effectively build upon existing, related federal programs.

COORDINATION OF PROGRAMS

I am very disturbed by the rampant duplication and lack of coordination in many federal programs as it pertains to services for children.

• What are you planning to do in the area of interagency and intra-agency coordination of the delivery of education services?

6. Coordination of Programs

I recognize that addressing many educational issues, in early childhood development, workforce preparation, and other areas, will require careful coordination across agencies and Cabinet departments. I will work very closely with the other Secretaries and agency heads in developing coordinated planning, regulation, implementation and reporting procedures, and will insist that this spirit of cooperation extend throughout the Education Department.

DIRECT LOAN PROGRAM

We recently enacted a direct loan demonstration in the Higher Education Act Amendments. I understand that President-elect Clinton is interested in expanding the concept of direct loans to the entire federal college loan program because the General Accounting Office says it will save the federal government $1 billion dollars.

However, several questions have been raised regarding the General Accounting Office’s estimates which:
- do not include any of the changes or the new unsubsidized loan program which were added in the recent higher education amendments,
- underestimate administrative costs,
- underestimate servicing costs, and
- do not include phase-out costs of the current loan programs.

I am concerned that may be relying on disputed savings estimates. I am also afraid that we will overburden the Department of Education by asking them to switch to direct loans at the same time as we are doubling the size of the loan program by adding the unsubsidized loan program and asking them to implement new program improvement changes.
In addition, we are breaking new ground in creating a new role for the federal government as one of the nation's banker, which brings with it 100% of the risk of lending money; some of which we currently share with banks and guaranty agencies.

What can you tell me to assure some of these concerns?

7. Direct Loan Program

I understand your concerns about the cost and administration of the direct loan program. All who have worked on these issues are well aware of how complex an effort this is. As you know, the President-elect is developing more detailed plans for the National Service Trust Fund, including the direct loan component. The cost and administrative concerns you have raised will be taken very seriously in the design of the President's proposal.

NATIONAL COMMUNITY SERVICE COLLEGE LOAN FORGIVENESS PROGRAM

1) I have been hearing about President-elect Clinton's plan to create a National Community Service Loan Forgiveness Program. However, I have only seen and heard bits and pieces about the idea.

What can you tell me about the main purposes of the program, any of the details of the program, or when we might see a legislative proposal for the program?

2) The average defaulter attends a trade school, lacks a high school diploma, attends school less than 1 year, and borrows under $4,000. In addition, about 50% of today's college students are nontraditional students; many of whom are older, have families, and can only attend school part-time.

The average student defaulters are not the types of students who would necessarily be qualified to work as teachers, nurses, or police officers. Many of the nontraditional students may not be able to afford to take advantage of this type of loan forgiveness program. Yet, these are the students who most need help paying for higher education.

How would the National Service Program help them? And would trade school students even be eligible for the program?

8. National Community Service College Loan Forgiveness Program

The purpose of President-elect Clinton's program is to make sure that every American who earns the right to attend college has access to the resources to do so. Equally important, we want to emphasize that along with the opportunity to attend college comes the responsibility to give something back to the community. As I said during my testimony, one of the things that has impressed me most about this proposal is the way it has so clearly touched a responsive chord among college students and their parents throughout the country. They are eager and anxious to be part of something that is bigger than themselves.

With respect to students who attend trade school, I agree that the high default rate in many of these schools is a serious problem, one which must be addressed if we are to get control of the program costs. If I am confirmed, this will be one of my priorities as we work to strengthen the management of our postsecondary aid programs.

As I indicated in my testimony before the Committee, there is still much work to be done in designing the overall program and legislative proposal. I will make sure that the concerns you have raised will be addressed fully during this process, and I look forward to working with you on these issues.
FEDERAL ROLE IN SETTING COLLEGE STANDARDS

I understand you have been involved in higher education and have been critical of universities and colleges for failing to maintain rigorous standards. I share your concerns.

- Could you expound on some of these concerns? Also, do you see a federal role in addressing this problem?

9. Federal Role in Setting College Standards

When the Federal government provides almost $20 billion in financial aid for students attending institutions of higher education, it is important for it to ensure that students receive a quality education with those funds. We must keep in mind that our system of higher education, with a strong history of academic freedom and institutional diversity and autonomy, remains the envy of the world. While the federal government should not dictate what colleges teach, there is an important role for it to play in providing information about program quality and impact. I understand that the 1992 Higher Education Amendments take extensive steps to ensure that schools offer quality programs. I look forward to reviewing and enforcing those provisions and using them to guide our actions.

HIGHER EDUCATION LEGISLATION
The Senate and the House completed a major reauthorization of the Higher Education programs. Both houses spent considerable time and effort revamping and improving student financial aid programs.

- To what degree, if any, will your administration be revisiting the existing student financial aid programs?

10. Higher Education Legislation

I applaud the bipartisan efforts and hard work of the committee in reauthorization of the Higher education programs. Although I have not yet had the opportunity to study it in detail, I have heard praise for the legislation.

As you know, an important piece of President-elect Clinton’s campaign was the National Service Trust Fund, which is intended to broaden access to higher education, and enable students to repay their loans either through service to their community or as a small percentage of their income. A proposal to is under development at present. The 1992 Higher education amendments contain provisions to support, in some fashion, the basic provisions of this pledge—direct loans, and income contingent payment. To the extent that this proposal cannot be implemented through existing legislation, I expect that we will ask the Congress to consider the necessary legislative provisions.

INCOME CONTINGENT LOANS
I am concerned about many aspects of the income-contingent loan concept. First, I am troubled about the new role of the Internal Revenue Service in collecting loans. I am also concerned about the potential cost to the federal government, and most importantly, I am concerned about the burden we place on students, wherein the cost of a loan increases the longer a payment is spread out. If this is done needlessly, we do a disservice to students obtaining loans.

- Do you share any of these concerns? Please comment.

11. Income Contingent Loans

I understand your reservations about the income-contingent loan concept. I also believe that the concept has enormous potential, as a way of reducing the immediate repayment burden many students would otherwise face when they complete college. The 1992 Higher Education Amendments contain provisions for a demonstration program combining direct loans with income-contingent repayment. This demonstration program will provide an important opportunity to learn about the best ways of designing an income-contingent repayment program.
WASTE, FRAUD, AND ABUSE IN GSL PROGRAM

Last week, the GAO released a report identifying the Guaranteed Student Loan (GSL) programs among those most at risk for fraud, waste, and abuse.

• What steps will you take to address these problems which have contributed to the default costs of the program?

12. Waste, Fraud and Abuse in GSL Program

The management of the GSL program is a major concern. If confirmed, one of my top priorities will be to substantially strengthen its management. I look forward to reviewing the report and its recommendations in detail. The 1992 Higher Education Amendments put into place many of the steps required to strengthen the program, and I intend to implement them. I will use our authority available to me to eliminate waste, fraud and abuse in the program. If I discover that additional authority is needed to complete this task, I will immediately seek such authority from the Congress.

STATE OVERSIGHT OF FEDERAL COLLEGE AID PROGRAMS

The recently enacted Higher Education Act Amendments authorize the Secretary of Education to form partnerships with the states to assist the Secretary in reviewing institutions of higher education to determine their eligibility for federal student aid programs?

• What steps will your administration take to implement these new provisions of the Higher Education Act?

13. State Oversight of Federal College Aid Programs

I view these provisions of the Higher Education Act Amendments as a critical tool for reducing waste and improving quality. I understand that the Education Department is developing a comprehensive plan to implement these provisions. If confirmed, one of my early priorities will be to review these status of these plans, ensure their speedy and effective development, and then implement them as soon as funding becomes available.

STUDENT AID DATA COLLECTION

The collection of data on students participating in federal student aid programs has been a continuing Congressional concern. For example, we believe that the Department of Education should be able to tell whether a student has previously defaulted on a student loan before they can receive another one. Unfortunately, this data is not currently available.

• What steps will you take as Secretary to improve the data collection the Department of Education needs to monitor the student aid programs?

14. Student Aid Data Collection

The absence of adequate data on students participating in federal student aid programs has been a serious problem for more than a decade. We cannot effectively manage these programs, nor eliminate abuse, unless we have sound, comprehensive and accurate data system. As is the case with the other management tools provided for by the Congress, I will move to develop and implement the data system.

SCHOOL TO WORK TRANSITION

• What role do you see the Department of Education playing in school to work transition?
School to Work Transition

President-elect Clinton made Youth Apprenticeship, a part of an overall school-to-work transition program. I support this effort, because we must provide a more engaging program for those high school students without immediate plans to attend college. Unless we do this, we will not achieve a high skills, high wage economy for our future.

No single level of government or agency will be able to build a nationwide school-to-work transition program. The primary responsibility belongs at the state and local level, where elementary and secondary education, postsecondary education—especially community colleges—business and labor must work together. At the Federal level, the Departments of Education, Labor and Commerce, as well as other agencies, must play important roles.

The Education Department has the potential to be a significant partner in creating a school-to-work transition system nationwide. Within the Office of Vocational and Adult Education, there are a number of programs to build upon, such as the Tech Prep program and its current collaboration with the Department of Labor in supporting the development of voluntary industry skill standards. I look forward to building upon these and other related efforts.

In addition, a major requirement for an effective school-to-work transition program is a high performing elementary and secondary education system, one which enables all students to achieve high standards. Of course, the Education Department has a critical role to play here, through its support of the development of voluntary national standards and assessment, its support for systemic reform at the state, local and school level, and through the provision of support to students with special needs.

I look forward to working very closely with the Congress in designing ways in which the Education department can most effectively carry out these roles.

Questions Submitted by Senator Coats to Governor Riley With Responses

NATIONAL SERVICE

WE ARE ALL VERY INTERESTED IN THE PROPOSALS PRESIDENT-ELECT CLINTON HAS OUTLINED REGARDING EDUCATION, PARTICULARLY HIS PROPOSAL TO BROADEN ACCESS TO HIGHER EDUCATION BY PROVIDING NATIONAL SERVICE AS AN OPTION TO REPAY STUDENT LOANS. WE ALL SHARE HIS ENTHUSIASM AND INTEREST IN EXPANDING EDUCATIONAL OPPORTUNITIES.

IN FACT, THIS COMMITTEE SPENT A LARGE PORTION OF THE LAST CONGRESS REAUTHORIZING THE HIGHER EDUCATION ACT, AND WE DEBATED MANY OF THESE ISSUES IN THE CONTEXT OF THAT EFFORT. AMONG OTHER THINGS, THIS REAUTHORIZATION STREAMLINED THE STUDENT LOAN PROGRAM, SIGNIFICANTLY BROADENED ACCESS TO STUDENT FINANCIAL AID, AND INITIATED SEVERAL PROGRAMS TO DETERMINE THE FEASIBILITY OF SOME OF THE VERY CONCEPTS THE PRESIDENT-ELECT AND OTHERS IN CONGRESS HAVE ADVOCATED — NAMELY, A DEMONSTRATION PROGRAM ON DIRECT LENDING, AS WELL AS ALTERNATIVE MEANS OF REPAYING, OR FORGIVING, STUDENT DEBT THROUGH PARTICIPATION IN SPECIFIED COMMUNITY OR NON-PROFIT SERVICE ACTIVITIES.

PRESIDENT-ELECT CLINTON HAS BEEN VERY VOCAL IN HIS SUPPORT OF THE CREATION OF A NATIONAL SERVICE PROGRAM.

(1) WOULD THE NATIONAL SERVICE PROPOSAL BE A DEMONSTRATION OR AN ENTIRELY NEW PROGRAM? COULD NATIONAL SERVICE AND/OR DIRECT LENDING BE IMPLEMENTED UNDER THE FFELP RATHER THAN CREATING A NEW PROGRAM?

(2) WHO WOULD QUALIFY FOR PARTICIPATION? WOULD THIS PROGRAM BE AN ENTITLEMENT OR WOULD IT BE RESTRICTED TO LOW-INCOME OR MINORITY STUDENTS?
3. National Service

I agree with your observation that President-elect Clinton's National Service program is consistent with the provisions of the demonstration program authorized in the 1992 Higher Education Amendments. These provisions offer an important foundation upon which to begin to build the President-elect's program. The specific questions you raise are important ones, and are part of the discussion's underway right now to further shape the President-elect's proposal. I would be very interested to hear any advice you may have to share with respect to those issues.

DIREクト LENDING

DURING YOUR TESTIMONY BEFORE OUR COMMITTEE, YOU STATED YOUR SUPPORT FOR THE CONCEPT OF A DIRECT LENDING PROGRAM.

IT HAS COME TO MY ATTENTION THAT SENIOR STAFF AT THE DEPARTMENT OF EDUCATION HAVE ANNOUNCED THAT THE DIRECT LOAN PILOT SHOULD BE OPERATED WITH WAIVERS OF SEVERAL OF THE REGULATIONS WHICH APPLY TO PARTICIPANTS IN THE GUARANTEED STUDENT LOAN PROGRAMS. CONCERNS HAVE ALSO BEEN RAISED THAT THESE OFFICIALS MAY BE PLANNING SELECTION OF PILOT AND CONTROL GROUP PARTICIPANTS IN WAYS THAT WILL NOT NECESSARILY RESULT IN AN OBJECTIVE STUDY SAMPLE.

AS YOU ARE REVIEWING PLANS TO IMPLEMENT THIS DIRECT LOAN PILOT PROGRAM, WHAT STEPS WILL YOU TAKE TO ENSURE THE DEPARTMENT CARRIES OUT THIS PROGRAM MINDFUL OF THE CONGRESSIONAL INTEND THAT THE TWO METHODS OF LENDING BE EQUITABLY TESTED?

2. Direct Lending

Thank you for bringing to me attention your concerns about the design of the direct loan pilot program. If confirmed, I will quickly look into this. Let me assure you of my intention to follow Congressional intent as this program is designed and implemented.

SCHOOL-BASED CLINICS

AS SOMEONE WHO SUPPORTS THE IDEA OF CONSOLIDATING SERVICES TO FAMILIES, PARTICULARLY DISADVANTAGED FAMILIES, I AM CONCERNED ABOUT TAKING THOSE SERVICES AND MAKING THE SCHOOL THE CENTER FOR THE PROVISION OF SUCH SERVICES. NOW, I UNDERSTAND THE LOGIC OF IT – THE SCHOOL IS VERY MUCH A PART OF EVERY NEIGHBORHOOD AND WOULD BE A CONVENIENT LOCATION FOR THESE SERVICES.

BUT WHAT CONCERNS ME IS THAT SCHOOLS WILL CONTINUE TO DRIFT FROM THEIR CENTRAL AND PRIMARY PURPOSE – THE PROVISION OF EDUCATION. TEACHERS ALREADY COMPLAIN THAT THEY ARE OVERBURDENED. THEY COMPLAIN THAT THEY CAN'T JUST BE TEACHERS, THEY HAVE TO BE MOTHERS AND FATHERS, CAFETERIA WORKERS AND HEALTH WORKERS, SOCIAL WORKERS AND COUNSELORS. THEY ARE CONTINUALLY PUT INTO THE SITUATION OF PERFORMING SERVICES THAT, TRADITIONALLY, TEACHERS HAVE NOT BEEN ASKED TO DO.
I AM CONCERNED THAT OPENING UP THE SCHOOLS TO BE CENTERS FOR SOCIAL SERVICES IS GOING TO FURTHER DILUTE THEIR ABILITY TO PROVIDE EDUCATIONAL SERVICES, AND I WONDER IF YOU COULD COMMENT ON THAT?

3. School-Based Clinics

I believe that there are clear advantages to consolidating services to children and families at or near the school. As you indicate, schools are at the center of most communities, and one of the most effective vehicles for reaching students and families most in need of comprehensive, integrated services.

I understand your concerns about diverting attention away from the primary academic mission of schools. I agree with you that it is important to not place the burden of delivering these services on teachers. This is not, and should not be, their job. Instead, the social and human service agencies and their staffs should be responsible for providing consolidated services and it should be designed in ways compatible with local community policies and goals. If these safeguards are provided, then I believe that providing these services at or near a school can enhance the academic mission of schools, by addressing the noninstructional needs of students which otherwise interfere with their learning.

DEPARTMENT OF EDUCATION – BUDGET REDUCTION

DURING HIS CAMPAIGN, PRESIDENT-ELECT CLINTON STATED THAT HE WOULD DECREASE THE DEFICIT BY 50% IN FOUR YEARS. HE HAS STATED THAT, IN AN EFFORT TO ACHIEVE THIS GOAL, HE WOULD REDUCE AGENCY PERSONNEL AND OTHER ADMINISTRATIVE COSTS BY 3% ACROSS THE BOARD. AT THE DEPARTMENT OF EDUCATION, A 3% CUT WOULD REPRESENT A REDUCTION OF ABOUT $26 MILLION. HOW AND WHERE DO YOU THINK THESE CUTS SHOULD TAKE PLACE?

4. Department of Education—Budget Reduction

I have not yet had the chance to study the Education Department’s budget carefully enough to determine where budget or staff reductions might be most appropriate. I would welcome any suggestions you might have regarding this matter.

MERIT-BASED PAY / ALTERNATIVE CERTIFICATION

THE SOUTH CAROLINA REFORM PLAN YOU IMPLEMENTED, THE EDUCATIONAL IMPROVEMENT ACT, INCLUDED PROVISIONS TO ELEVATE THE TEACHING PROFESSION. THE PLAN INCLUDED AN ALTERNATIVE CERTIFICATION PROGRAM, AS WELL AS INCENTIVE PAY FOR TEACHERS. I WAS WONDERING IF YOU COULD PLEASE TELL US MORE ABOUT THESE TWO INITIATIVES AND WHETHER OR NOT YOU WOULD FORESEE CONDUCTING SIMILAR PROGRAMS AT THE FEDERAL LEVEL.

5. Merit-Based Pay/Alternative Certification

Providing incentives to schools with improving high performance, and allowing for alternative teacher certification in carefully designated shortage areas have been important components of South Carolina’s education reform plan, and have contributed to its overall success. President-elect Clinton endorsed both of these concepts during his campaign. I would welcome your ideas about how these might be incorporated in a federal effort to support comprehensive and systemic state education reforms.
FEDERAL FAMILY EDUCATION LOAN PROGRAM

(1) The GAO recently endorsed the concept of greater risk sharing by guarantors and lenders in the FFELP. Would you support this initiative?

(2) There has been extensive debate about the complexity of the current student loan program. Much of this complexity is mandated by regulations of the Department of Education. The GAO has suggested greater focus on results-based performance measures, as well as more flexibility on the part of lenders and guarantors to deliver and collect funds. Would you agree with this suggestion?

6. Federal Family Education Program

As we further develop the President-elect’s proposal for a National Service Trust Fund, we may need to review the entire structure of the student loan program. In this context, you raise two important and interrelated questions which merit careful study. I understand that the current guaranteed student loan program already has inherent risk sharing for banks and guarantors. This risk is strongly related to the very strict collection requirements. I agree that we should look very carefully at whether we have incentives in the loan program properly placed, so that we have the best possible guarantee that diligent collection practices are carried out.

Questions Submitted by Senator Durenberger to Governor Riley With Responses

1) Governor, I think you know that—despite its growing support among parents—and the fact that it’s becoming a reality in states all over the country—the concept of school choice has recently come under strong attack from a number of quarters around the country.

Part of the problem, it seems to me, has been the highly polarized debate we’ve had in the past several years over including private and religious schools in choice programs. It’s also been charged that school choice advocates believe choice is some kind of “silver bullet” that will solve all our nation’s education problems overnight.

Both you and President-elect Clinton have been strong proponents of public school choice in your own states. What do you and the new President intend to do to clarify what we mean by school choice, what its role in education reform might be, and what we should be doing at both the federal and state levels to affirm the right of parents to choose the schools their children will attend?

1. School Choice:

I agree with you that the debate in recent years over private and religious school choice has been unfortunately polarizing and divisive. As you know, both President-elect Clinton and I are unalterably opposed to using federal funds to support a family’s choice of a private school, while we both support choice within the public sector. We also acknowledge the importance of private schools in America.

As I indicated during my confirmation hearings, I believe that our efforts—federal, state and local—must be directed toward improving significantly the quality of all schools, so that all students will have an opportunity to achieve high standards. This requires a strategy that is comprehensive and systemic, which raises standards and links them to improved curriculum and assessment, strengthened teacher preparation and professional development, accountability and greater flexibility for schools. We must also strengthen parental involvement and ownership of schools, and we must provide children and youth with the health and other human services they need in order to be able to take advantage of the educational opportunities provided to them. If we do these things on a system-wide basis, for all schools, then I believe we will give the American public what they want—high quality schools, any one of which would be worth choosing to attend.
In the context of these strategies, choice within the public education system can play an important role by increasing parental involvement and ownership and by spurring healthy competition among public schools. Public school choice must also be accompanied by an effective information and outreach system, so that all parents and students are aware of the choices available to them. Transportation must also be readily available, so that schools are accessible to all students.

2) In Minnesota and other states that have public school choice programs, there's a growing awareness that— to be of real value— choice must be accompanied by more (and more diverse) school choice.

One way to encouraging more school choices to emerge is to allow teachers and parents and community groups to create new public schools that have outcome-based contracts with a state or local education agency, but are otherwise autonomous. Minnesota and California have now passed laws allowing these so-called "charter schools" to emerge.

Do you have any thoughts on the value that charter public schools might have — and also what role the national government should be playing in encouraging states to allow this kind of option at the local level?

2. Charter Schools:

Minnesota has a good track record of providing choices to its student and their families through a variety of means, including interdistrict choice, alternative learning programs, and postsecondary enrollment options.

Charter schools are another means for providing choices, and for strengthening parental and educator ownership of their schools. Within the context of the systemic reforms I described previously, I favor efforts to experiment with the charter school concept, provided adequate safeguards are in place to ensure that this does not become a vehicle for providing public funds to what otherwise would be a private school, nor used to resegregate students.

I would be interested to hear your ideas about how we can work together to devise an appropriate federal role in this area.

3) One of the priorities for this year that I know the Chairman and I share is encouraging the co-location of health and other services in and around schools. And, yet, I think you know there are serious concerns on the part of many of my colleagues and many of our constituents that expanding school-based health services, in particular, could deteriorate into a stalemate over abortion.

Do you have any thoughts on how that kind of stalemate could be avoided and how we can accomplish the larger goals behind colo-locating health care and other services in and around schools despite strongly felt differences over abortion?

3. Health Care and Other Services:

Health centers located in or near schools could provide cost-effective services for youth in our country, particularly preventive health care. This is important when large numbers of our children do not have health insurance and do not have access to health care. The schools are a logical place to deliver care to children. How these centers operate should be determined
by the local community and state officials. Currently, there are an estimated 350 health centers in elementary, middle and high schools throughout the country. These centers are providing vital services. I would hate to see the provision of these services impeded by any stalemate that could develop over an abortion issue. Once I take office, I would welcome an opportunity to speak with you further in reference to your concerns.

4) Last year, the chairman and Senator Simon and I worked with Senator Bradley and others on a proposal for a new type of student loan program -- a direct loan from the government, with every student eligible, regardless of income, and with payments on the loan made on the basis of income after graduation.

That sounds a lot like what President-elect Clinton has been proposing as a part of his national service proposal.

I wonder if you could comment on what you see as some of the issues and objectives in the Income-based loan repayment part of the President-elect's proposal... and also on what potential you see for either expanding or starting sooner the direct loan demonstration that the Chairman, and Senator Simon and I were able to get in last year's reauthorization of the Higher Education Act?

4. Direct Lending, Contingent Repayment and the Demonstration Project:

I agree that the provisions of the Higher Education Amendments which provide for a demonstration of the direct loan and income contingent repayment concept are quite consistent with the ideas President-elect Clinton advanced during the campaign. The existence of these provisions will enable us to get a quick start on this effort.

As you know, the Administration's final proposal for this program is currently under discussion and development. As the planning progresses, I will look forward to receiving your suggestions.

5) I think you know that I was one of the leaders on our side a couple of years ago when this Committee drafted legislation creating the new Commission on National and Community Service. That legislation comes up for reauthorization this year and seems to be logical vehicle for considering the new President's proposal for using some period of community as an alternative means of paying for higher education.

There's a great deal of interest in the Congress and elsewhere in that proposal, but I must say I have serious concerns about suggestions that some period of service become a mandate or a requirement for eligibility for federal student aid.

How do you personally feel about the issue of whether national service should become mandatory, or whether it should eventually replace existing federal loan and grant programs?

5. National Service

The National Service concept was an important piece of the signature idea of the Clinton/Gore campaign. As currently envisioned, national service would simultaneously broaden opportunity for education, training, and economic empowerment, emphasize individual responsibility to give something back for this increased opportunity, and build community by bringing people together to address urgent national needs.

Because there are students who may be in need of federal financial assistance, but who, for any number of reasons, are unable to commit themselves to national service, I believe that the program should be based on voluntary, rather than mandatory, participation.
Neither President-Elect Clinton nor I believe that national service should replace existing federal loan and grant programs. Pell grants and other federal financial assistance programs play an important role in helping to finance the education of students in need. They should remain in place.

6) Another significant initiative launched during the past several years to promote the design and development of innovative new schools is the New American Schools Development Corporation (NASDC). I’m proud that one of the first NASDC grants was awarded to a group in Minnesota headed by Joe Nathan, director of the Center for School Change at the University of Minnesota’s Humphrey Institute.

I realize that NASDC is a non-governmental organization — with strong ties to the business community — and that it does not come under the direct authority of the Secretary of Education. Nevertheless, the future of NASDC — including its credibility and ability to raise funds — will depend on support and encouragement from the President and Secretary.

My question has two parts: First, do you believe a private sector initiative like NASDC has a role to play in stimulating and supporting research and development on new and innovative schools? And, second, do you and the President anticipate playing an active role in support of NASDC’s program?

6. New American Schools Development Corporation (NASDC):

The private sector certainly has an important role to play in stimulating and supporting research and development on new and innovative schools. It is difficult for me to know how active a role in support of NASDC either President-elect Clinton or I will play. The lessons learned from these experiments will be closely followed for possible dissemination.

7) As a former governor, I suspect you remain committed to the traditional preeminence of state governments in setting education policy in this country.

Do you have any either general or specific thoughts on what a distinctive national government role should be in promoting education reform, and what might be done from the national level to support state-level initiatives, while not being overly prescriptive in what we do?

7. Education Reform in General:

The federal government must work in tandem with the state and local levels to develop and achieve high standards and goals for building a high-performance educational system for the 21st century. Similar to what we did in South Carolina, we need to form a partnership with parents, teachers, communities, business leaders, and education leaders at all levels in order to make reaching our common goals everyone’s responsibility.

The federal government should take a leadership role and provide a national platform for advocating and promoting these goals. We have a special challenge to act together on federal strategies to achieve these goals. This will require actions across agencies. It will require less fragmentation and red tape. I will call on the employees in the Department of Education to devote their talents and energies to these same ends. They have vitally important contributions to make, and I intend to work with them to build a department that provides both the leadership and the support that educators throughout the country need and deserve.
CLINTON’S NATIONAL SERVICE PROGRAM

1) DURING THE CAMPAIGN, THE PRESIDENT-ELECT SAID HE WOULD HELP PEOPLE PAY FOR A HIGHER EDUCATION THROUGH HIS NATIONAL SERVICE PROPOSAL. AS I UNDERSTAND IT, THIS PROGRAM WOULD ENABLE STUDENTS TO PAY OFF THEIR EDUCATIONAL DEBTS BY WORKING IN A NEEDED AREA. DUE TO THE LACK OF SPECIFIC INFORMATION ON THIS PROGRAM, I WOULD APPRECIATE IT IF YOU COULD SHARE WITH US CERTAIN DETAILS. THE REASON I ASK IS BECAUSE IF THIS PROGRAM WAS OPEN TO ALL 14 MILLION STUDENTS WHO ARE ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION, IT WOULD HURT THE BUDGET. AS A RESULT, I CAN ONLY HOPE THAT SUCH A STRONG PLAN OF MR. CLINTON’S CAMPAIGN WOULD BE BETTER THOUGHT OUT THAN I HAVE HEARD.

A) IS THIS PROGRAM A PILOT OR FULL-BLOWS NEW SYSTEM? HOW MANY STUDENTS CAN PARTICIPATE?

B) IF IT IS TO BE OPEN TO EVERYONE, IS THIS MOVE BY MR. CLINTON TO MAKE FEDERAL EDUCATION ASSISTANCE AN ENTITLEMENT?

   (B1) IF IT IS AN ENTITLEMENT, AND UNDERSTANDING THAT ENTITLEMENTS ARE THE FASTEST GROWING AND MOST UNMANAGEABLE PORTION OF OUR BUDGET, HOW DOES BILL CLINTON EXPECT TO CUT THE DEFICIT IN HALF?

   (B2) IF IT IS NOT AN ENTITLEMENT, WHAT CRITERIA WOULD BE USED TO DETERMINE WHO WOULD BE ELIGIBLE?

C) SINCE 1968, THE FEDERAL GOVERNMENT HAS GUARANTEED $138 BILLION IN STUDENT LOANS. CLOSE TO $65 BILLION OF THIS AMOUNT IS STILL OUTSTANDING. WOULD PERSONS WHO HOLD THESE LOANS BE ABLE TO MAKE USE OF PRESIDENT-ELECT CLINTON’S PROPOSAL?

D) HOW DO YOU INTEND TO PAY FOR THE NATIONAL SERVICE PROGRAM?

E) WHEN DO YOU SEEK TO IMPLEMENT THIS PROGRAM?


1. National Service

The concerns you raise regarding the President-Elect’s national service proposal are appropriate and some of the same ones we are deliberating. I would be very interested in hearing your views about them.

WAIVER AUTHORITY FOR THE SECRETARY

2) MOST DEPARTMENT SECRETARIES HAVE WAIVER AUTHORITY, YET EDUCATION DOES NOT. GIVEN THE EFFECTIVE USE WAIVERS HAVE HAD ON CREATING GREATER FLEXIBILITY FOR MANY FEDERAL PROGRAMS, DO YOU BELIEVE THAT THE SECRETARY OF EDUCATION SHOULD HAVE THE AUTHORITY TO FREE UP THE TEACHING COMMUNITY FROM FEDERAL REGULATIONS THAT HINDER THE LEARNING PROCESS? I ASK, SINCE SUCH A POLICY WOULD BE CONSISTENT WITH THAT OF YOUR HOME STATE’S.

2. Flexibility

I would welcome the opportunity to offer states and districts some flexibility for many programs along with appropriate accountability, especially as a way to keep states and districts meet the National Education Goals.
3. Fragmentation

As a former Governor, I've long been troubled about the fragmentation in and among federal programs which require coordination. There are important roles for the Education and Labor Departments, as well as other federal agencies, in school-to-work and workforce training issues. I expect to work very closely with the Secretary's of Labor and Commerce in the design and implementation of these programs to ensure that the components each of us is responsible for are well managed and carefully coordinated. I will also strongly encourage the necessary coordination at the state and local level, among elementary and secondary education, postsecondary education, other state and local agencies, and business.

National Testing

4) Is it fair to assume that President-elect Clinton, through you, will support national testing of teachers, since he was one of the first governors to implement such a program at a state level? If you are to hold teachers accountable, should students be held to the same scrutiny? If so, do you advocate assessment through the use of national testing? If not, what approach do you advocate for strengthening our educational system? Would the bi-partisan America 2000 effort and its six goals be continued under the Clinton administration?

4. National Testing for Teachers

Governor Clinton has said he will not support national testing of teachers, that it should remain a state decision. I support NAEP and the work being done by the National Education Goals Panel to encourage the setting of standards and the development of new assessment systems. Both President-elect Clinton and I strongly support the National Education Goals and are committed to providing leadership necessary for achieving them.

Questions Submitted by Senator Hatfield to Governor Riley With Responses

Concerning the Appointment of the Liaison for Community and Junior Colleges Within the U.S. Department of Education

During consideration of the Higher Education Amendments of 1992, Congress established a new position at the U.S. Department of Education entitled "Liaison for Community and Junior Colleges" (now contained in section 202 of the Department of Education Organization Act). The Liaison is to serve as principal advisor to the Secretary on matters affecting community and junior colleges, is to provide guidance to programs within the Department dealing with functions affecting community and junior colleges, and is to work with the Federal Interagency Committee to improve coordination of education and job training programs.
This new position is to be held by an individual who has either been employed in a community or junior college setting for not less than 5 years or who has attained an associate degree from a community or junior college. The legislation called for the selection of this individual within six months -- a deadline of January 23, 1993.

Are you prepared to take immediate steps to fill this position?

1. Community and Junior Colleges Liaison

I will work as quickly as I can to fill the position of Liaison for Community and Junior Colleges.

Questions Submitted by Governor Wilson to Governor Riley With Responses

There has been considerable discussion about the best means of defining and targeting educationally disadvantaged children in our country for the purpose of allocating federal education funds under the Chapter 1 program. How should the Chapter 1 program and formula be changed so that federal education dollars more accurately reach those who truly are educationally disadvantaged?

Growing numbers of our children reach the classroom door with problems that affect their ability to learn. Children who are hungry, sick, or abused are unable to learn. Our schools offer us the best opportunity to ensure our children get the help they need to be productive students. Today, teachers are often placed in the role of parents, social workers, psychologists, cops...roles for which they are neither trained nor expected to fulfill. What role will the U.S. Department of Education play in creating better coordination, cooperation, and collaboration at the federal level among the many different children's programs administered across agency lines to ensure that we are addressing the complete needs of a child rather than the particular part for which each is responsible?

Education reform has been targeted as a priority by the Clinton Administration. How will this Administration's reform proposals differ from those of the previous Administration? How will they be funded? Will the federal role in education be enlarged under this administration? Will states be given the flexibility they need to institute reform?

1. ESEA

Reauthorization of ESEA will be one of my first priorities as Secretary. I consider it a real opportunity to think about issues, like the one you mentioned, in a better way. I would be very interested to know your views.

2. Fragmentation

As a former Governor I've long been troubled about the fragmentation in the federal government. This has been especially problematic with respect to programs serving children and their families. I am committed to doing what I can to bring about the necessary coordination among agencies of the federal government to better serve the children of our country.

3. National Education Goals

President-Elect Clinton and I strongly support the National Education Goals. We are currently considering a number of proposals which will build on the efforts of the previous Administration, including more flexibility for states and districts.
[Whereupon, at 1 p.m., the committee was adjourned.]