

October 26, 1995

MEMORANDUM FOR MACK McLARTY

FROM: JEREMY BEN-AMI / GAYNOR MCCOWN

SUBJECT: GOALS 2000

This memorandum provides the information you requested about Goals 2000: Educate America Act, specifically outlining the concerns that are frequently raised and how to address them. We would be happy to meet with you and brief you but realize your schedule is crowded. Please let us know if you want us to stop by.

Concern

GOALS 2000 will lead to a federal government takeover of local education.

Reality

GOALS 2000 provides federal support for local and state reforms. It does not undercut state and local responsibility for control of education. Section 318 of the Goals 2000: Educate America Act makes it absolutely clear that there are no federal mandates. "Nothing in this Act shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school curriculum, program of instruction, or allocation of State or local resources or mandate a State or any subdivision thereof to spend any funds or incur any costs not paid for under this Act." In addition, participation in Goals 2000 is completely voluntary.

Concern

GOALS 2000 is another burdensome federal program with a multitude of rules and regulations.

Reality

Goals 2000 sets broad objectives and goals, but allows the states to determine the means to reach them. The Department of Education will not issue any regulations for GOALS 2000.

Concern

GOALS 2000 requires the use of the national history standards recently released. *NOTE: National Standards are developed by non-governmental organizations and are voluntary. The history standards, released in early 1995 by the National Center for History in Schools at UCLA, have come under attack for "disregarding" certain aspects of history.*

Reality

Under Goals 2000, states and school districts determine their own academic standards, which outline what they want their children to learn. If they choose, states and communities can use - as models - voluntary national standards developed by professional organizations to help design their own challenging standards. No funds are tied to the use of these standards and no law or regulation requires their use in any way.

Concern

GOALS 2000 will encourage the proliferation of school-based health clinics, and move schools away from the fundamental duty of education and into the provision of reproductive services.

Reality

The focus of GOALS 2000 is improving student achievement, greater parental participation, discipline and safety in our schools, better teaching, higher high school graduation rates, and greater rates of adult literacy. The promotion of school-based health clinics remains a state and local responsibility.

Concern

The GOALS 2000 ACT is the result of the liberal education establishment's wish list.

Reality

GOALS 2000 passed the Congress with strong bipartisan support, and has been endorsed by national business organizations, including the U.S. Chamber of Commerce, the National Alliance of Business, the Business Roundtable, and the National Association of Manufacturers. The Goals 2000 Act supports an education reform agenda spearheaded by governors of both parties. It is a balanced bill, one that provides national leadership and some federal funds to support grassroots, bottom-up reform.

Concern

Our schools will henceforth be pushed toward a philosophy known as Outcome-Based Education (OBE). *NOTE: Outcome-Based Education has become synonymous with non-academic education, focusing more on psychological development than traditional academics.*

Reality

The educational philosophy or approach is not determined by the federal government. Each state, school district, and school determines what content it wants students to learn, and whether that content should focus strictly on core academic and basic skills or should also include other areas.

11/6/95

GOALS 2000 UPDATE

State Participation

- 48 states received Goals 2000 funds during the first year of implementation. (all but New Hampshire and Virginia, where Gov. Merrill and Gov. Allen blocked state participation). 47 states are currently participating, because the Montana legislature prohibited the state education department from applying for 2nd year funding.
- 31 states have received 2nd year funding since July 1; an additional 7 states are expected to apply for 2nd year funds by the end of 1995. The deadline for requesting 2nd year funds is June 30, 1996.
- 15 states have completed the development of state education reform plans and submitted them to the Education Department. 13 of these have been approved, and the other 2 are in review at present (see attached list).
- *"Battleground states"*: There are several states in which political opposition to Goals 2000 has either forced the state to drop out, or in which a battle to do so is currently underway. The most active states are:
 - Alabama: Under considerable pressure from conservative opponents, Gov. Fob James announced a month ago that he was sending Alabama's 1st year funds back (though he was notably silent on whether he would later seek 2nd year funding, intentionally leaving himself room to come back in if political conditions change). However, the state education agency, not the governor, in fact has the authority to spend or return the Goals 2000 funds, and just last week the state superintendent of education said publicly he might not return the funds. The Black Caucus in the state legislature and several education groups are beginning to mount a campaign to keep and use the funds. Consequently, Alabama's participation in Goals 2000 is still unresolved.
 - California: In July, the California Department of Education, led by elected state superintendent Delaine Estin (D.), applied for 2nd year Goals 2000 funds. We have awarded California its \$42.1 million in 2nd year funds, but the funds must be released by the governor before the California Department of Education can give them to local districts. Pete Wilson has not yet made up his mind whether or not he will release the funds, though his public statements so far indicate he does not intend to. He has come under increasing pressure from the education and business

communities, and the media, to accept the funds. At the same time, he is under pressure from conservatives in his own party to return the funds. We do not yet know when this issue will be resolved.

Appropriations

History

- 1st Year (FY 94): \$105 million
- 2nd Year (FY 95): \$362 million

Status of 3rd Year Request

- President requested \$750 million
- House-passed appropriations bill provides no funding
- Senate Appropriations committee provides \$310 million.

The overall appropriations bill for the Departments of Labor, HHS, and Education has not yet come to the Senate floor for a vote, and the Senate leadership may not be able to reach an agreement that would bring the bill to the floor. There are disagreements among Republicans and between Republicans and Democrats as to what amendments, if any, could be offered during full Senate consideration that have thus far prevented the bill from being brought up.

The President has repeatedly promised to veto both the House and Senate bills, in part because they both underfund education in general and Goals 2000 in particular. We expect that the final appropriation level for Goals 2000 will be determined during overall budget and appropriations negotiations with Congress, hopefully to be concluded before Christmas. Note that the FY 96 funds under contention will not be available to states until July 1 1996.

Possible Amendments

There are three Republican Senators who apparently hope to offer amendments affecting Goals 2000 if there is an opportunity, when the appropriations bill comes to the floor. These are:

- Judd Gregg: His amendment would eliminate all Goals 2000 funds and transfer them to the Special Education Program. This amendment is opposed by the Administration, by all of the education groups, including the special education community, and by the business community.

- Spencer Abraham: His amendment would eliminate Goals 2000 funds and use them to fund a newly created voucher demonstration program and a charter schools program. We have not seen the details of these programs. The Administration and the education community oppose this amendment. The business groups have indicated opposition to any amendment that reduces or eliminates Goals 2000 funds.
- Arlen Specter: Specter, a Goals 2000 supporter who chairs the Appropriations Subcommittee on Labor, HHS, and Education (and who is responsible for providing the \$310 million in the Senate bill) is offering a package of amendments to the Goals 2000 Act designed to address concerns about Goals 2000 he has heard while campaigning in New Hampshire. These amendments would: (1) eliminate NESIC; (2) eliminate OTL standards; (3) eliminate requirements for specific membership and appointment procedures for state Goals 2000 panels; (4) allow local school districts in states not participating in Goals 2000 to apply directly to the U.S. Department of Education for the funds the state is eligible to receive; and (5) eliminate the requirement that the Secretary review and approve state education reform plans in order for the state to be eligible for continued Goals 2000 funding.

We have suggested some changes to Specter's amendments that will make them acceptable to us, while still meeting Specter's objectives. We do not yet know if these will be acceptable to Specter. If they are, we will not oppose these amendments, and may support them.

We would be delighted if this package of amendments were to pass--and be defined as the "fix" to Goals 2000 that eliminates federal intrusion. We believe this could reduce pressure on Goals 2000 in states and in the Congress. However, the odds of passage are slim, because the entire appropriations bill is in jeopardy in the Senate. In addition, Specter will need cooperation from Bob Dole, Phil Gramm, and Judd Gregg in order to get the amendments enacted into law. None have any incentive to help Specter or Goals 2000, and each has strong reasons to oppose his efforts. Consequently, we are concerned that these amendments could turn out to be harmful--if they gain visibility but are not enacted into law. Then they may be defined by our opponents as the confirmation that there is significant federal intrusion in Goals 2000, and Congress failed to remove the provisions. Therefore, we are not endorsing or promoting this package

of amendments yet.

Ben Wattenberg Book and Column

Ben Wattenberg's new book claims that Goals 2000 was seriously weakened because liberal Democrats insisted on prohibiting NESIC from certifying state assessments that would be used for high stakes purposes. (In fact, Wattenberg presents an inaccurate and incomplete view of Goals 2000 and high stakes testing. The attached fact sheet presents the complete picture.)

As you know, the President called Wattenberg last week after reading the book. In a column and in a television interview, Wattenberg said that President Clinton told him he agreed with his analysis of Goals 2000. In fact, the President simply indicated to him that he agreed that the version of Goals 2000 as originally drafted by the Administration was a better bill than the one that finally emerged from Congress. He did not agree with Wattenberg's specific (and inaccurate) description of the law's provisions.

Attachments

1. Status of Goals 2000 in states represented on the Goals Panel
2. States where Governors have raised concerns about Goals 2000
3. Letter from Tommy Thompson regarding Goals 2000
4. Review of "high stakes" testing issue Wattenberg and Clinton spoke of

Attachment 1

GOALS 2000: YEAR 2 STATUS REPORT

11/6/95

STATE	YEAR TWO FUNDS RECEIVED	YEAR TWO FUNDS AVAILABLE	* PLAN APPROVED
Colorado	yes	4,288,514	no
Connecticut	yes	3,460,756	no
Idaho	no	1,568,397	no
Indiana	no	6,557,145	no
Michigan	yes	14,371,488	yes
Mississippi	no	5,094,972	no
New Jersey	no	8,792,536	no
New Mexico	yes	2,782,261	yes
North Carolina	yes	7,745,087	no
Pennsylvania	yes	15,529,194	no
South Carolina	no	4,710,359	no
Wisconsin	no	6,582,097	no

* To date, all plans received have been approved.

Attachment 2

Goals 2000: State Status Report

Connecticut -- We do not believe the Governor is supporting participation in Goals 2000.

Michigan -- We are not sure how strongly Governor Engler supports Goals 2000.

Pennsylvania -- The Governor supports vouchers and we believe he intends to withdraw from Goals 2000.

Wisconsin-- It is our understanding that the Governor has put a hold on the establishment of a state planning panel until the reorganization of the state education agency is completed. Please see attached letter from Governor Thompson.

**TOMMY G. THOMPSON**

Governor
State of Wisconsin

September 18, 1995

Michael Cohen
Senior Advisor to the Secretary
United States Dept. of Education
Washington, D.C. 20202

Dear Mr. Cohen:

Thank you for your letter, and the information regarding the technical assistance services available to the State of Wisconsin. I appreciate the time you took to write and your patience in awaiting a response.

Although *Goals 2000* has only been in effect a short time, the program has changed the face of education as we know it. I applaud your efforts to help children everywhere reach the high academic standards we have set for them. Your new technical assistance services sound like a wonderful way to continue down the road to successful education reform. Keep up the good work.

Thank you again for the letter and materials. I have forwarded them to my policy staff for their consideration. Should they have any questions or comments, they will contact you directly. Please do not hesitate to keep my office informed.

Sincerely,

A handwritten signature in cursive script, reading 'Tommy G. Thompson'.

TOMMY G. THOMPSON
Governor

TGT/bwl

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