

Executive Summary

For much of the 20th century, rising high school graduation rates in an increasingly diverse U.S. society were a source of national pride. Yet recent research shows that graduation rates are far lower than previously understood—and constitute a national embarrassment.

According to the research consensus, despite several decades of intensive efforts to improve educational outcomes, the U.S. graduation rate has not climbed above 70 percent and some states appear to be losing ground. For African Americans and Hispanic young people, on-time graduation rates hover between 50 percent and 55 percent. The economic and social consequences of not completing high school have steadily intensified. Today, dropouts are twice as likely to be unemployed; for those who work, pay is low, advancement limited and health insurance less available.

With U.S. global competitiveness and the economic self-sufficiency of our citizens at stake, the dropout problem no longer can be ignored. We need all our youth to succeed and advance. It is time for an aggressive national effort to pursue a new, dual agenda for high school reform—one that embraces high standards *and* high graduation rates.

We Know How to Do Better

We now know how to help more students succeed. Advances in both research and practice point the way to new, promising strategies and solutions. Educators in urban districts ranging from New York City to Portland, OR, are designing research-based interventions for keeping students on track, especially in the first year of high school, and are developing new options and pathways to get dropouts back on track to high school graduation. These interventions and options include a more intensive focus on fundamental English and math skills in the early months of 9th grade, coupled with quick response to academic failure; and small, personalized schools where students who have dropped out can reengage with academic learning.

In addition, researchers have identified leading indicators of dropping out that very reliably identify students who, absent a school-based intervention, are unlikely to graduate from high school. Failing a core academic course in 9th grade is one of a few highly predictive signals.

The dropout problem has long been viewed as confined to a small—and particularly troubled or unmotivated—group of young people. But this view misreads the reality of high school-aged youth's educational trajectories. More than half the young people who do not graduate from high school on time demonstrate remarkable determination to continue their education. Close to 60 percent of dropouts earn a high school credential within 12 years of starting high school—in most cases by passing the tests for a General Educational Development, or GED, certificate.

Even more impressive, nearly half of GED holders ultimately enroll in a degree-granting two-year or four-year postsecondary institution. Unfortunately, fewer than 10 percent of GED earners who enroll ever complete a degree, leaving 90 percent with limited career prospects, at best. The mismatch of educational aspirations and attainment has serious consequences for young people, their families and communities, the states, and the nation.

The Time Is Right for Federal Action

Congress can play a vital role by passing the proposed Graduation Promise Act of 2007. This Act would establish a federal commitment to partner with states, districts, and schools to raise graduation rates. The new Act would seed and scale up effective strategies and school designs for keeping high school-aged students in school and achieving at a high level of academic performance. And it would put these proven strategies to use immediately in the nation's worst-performing high schools.

Significant progress will require federal action. Through the No Child Left Behind Act, the federal government has created widespread pressure to improve academic achievement. Creating incentives to improve graduation rates will require an equally strategic effort. Federal appropriations of between \$1 billion to \$1.5 billion a year for five to six years can speed adoption and expand the scale of state and local innovation and help create conditions for states to be laboratories of innovative solutions to the dropout problem.

The time is right for the Graduation Promise Act. Recent media attention has helped the public appreciate the scope of the dropout problem and raised public demand for solutions. Recent research has provided more information than ever before on how to identify young people at risk for dropping out and how to help them get back on track to graduation. Drawing on the research, a number of states have enacted innovative policies that address low graduation rates.

Congress is about to start the reauthorization process for NCLB, but the legislative process promises to be long and complex. Moreover, it is unclear whether Congress will adequately address the complexity of secondary education and the full range of issues underlying low graduation and high dropout rates. Passing the Graduation Promise Act now would ensure that the kind of spur that federal action provided around academic achievement will now also be applied to the challenge of raising graduation rates.

Key Provisions of the Act

The proposed Graduation Promise Act will enable Congress to catalyze and accelerate state and district action and expand its impact through three major initiatives:

- **Enabling New State and District Strategies to Improve Graduation Rates Without Compromising Academic Standards.** One of the key challenges facing educators working to increase the number of young people earning a high school diploma is to do so without letting themselves or their students off the hook for academic performance. This will require a powerful and systemic effort to align policies, recalibrate accountability systems to include meaningful dropout and graduation measures, and develop an array of evidence-based strategies that schools and districts can employ to put policies into practice. The Act proposes competitive five-year grants to enable cohorts of states and districts that have already begun to gain traction on improving graduation rates within a high standards environment to become laboratories of systemic change. The investment will enable 15-20 states to implement independently evaluated demonstrations of effective policies and strategies.
- **Investing in the Supply of Proven Models.** Another major obstacle to improving graduation rates is the limited capacity of state/district leaders and outside collaborators to expand and spread proven practices and models for improving graduation rates within a high standards environment. Most states and districts have made only a small investment in alternative education programming, while the non-profit and community-based organizations that step in to fill the gap are likely underfunded and understaffed themselves. The Act proposes competitive five-year grants to school development organizations, youth development intermediaries, districts, and/or states to support replication of proven models for improving achievement and increasing graduation rates of students who are not on track to earn a diploma.
- **Interrupting the Dropout Flow from the Worst-Performing High Schools.** Another significant challenge is accurately identifying and turning around the high schools with the lowest graduation rates in a state. By one researcher's estimate, there are at least 1,000 high school "dropout factories" in the country, graduating 50 percent or less of their students. But most states still fail to use accurate, consistent methods to calculate graduation rates and do not know how best to intervene if the worst schools are identified. The Act proposes formula grants to states to develop the data capacity to include accurate graduation rates as part of accountability formulas and to reliably identify which high schools are losing the most students. The grants would help fund immediate interventions in these schools, based on effective, research-based practices.

A relatively modest federal investment, guided by new advances in research and practice, can leverage significant change in state and local policy and practice—change that can address the other half of the critical dual agenda of high achievement for all with a simultaneous increase in the graduation rate in schools, districts, and states across the nation.