

## **BACKGROUNDER: Restoring the Right to Rise through a Quality Education: A Blueprint for a 21<sup>st</sup> Century American Education System**

*Every individual in this country has the right to rise. Yet today, the American Dream—the idea that anything is possible through hard work—is threatened by an education system failing to prepare the next generation of children for success. Choice, innovation and transparency have transformed practically every part of our lives, and yet our schools remain artifacts of another century.*

*Governor Bush’s goal is to ensure that all Americans, no matter their background or zip code, graduate from high school, college or career ready, and have the opportunity to pursue affordable post-secondary education or training. Achieving this goal requires a complete overhaul of a system from one that serves bureaucracies to one that serves the needs of families and students. Empowering individuals doesn’t require additional money or programs designed by Washington. What we need is a national focus on fueling innovation and providing quality choices for every student in this country.*

*Governor Bush’s plan is budget neutral but will dramatically improve educational opportunities in America. Rather than spending more, this plan consolidates current programs, eliminates waste and returns power back to states, local districts and families. In fact, this plan reduces the size of the federal Department of Education by approximately 50 percent.*

*Governor Bush has an unmatched record of reforming education to improve results. As governor of Florida, he expanded choices for families, increased transparency on the quality of schools, and increased student achievement across the board, particularly among minority and low-income students. The only thing he needed from Washington bureaucrats was for them to stay out of the way. As president, he will return power to families and states. This platform reflects the fundamental belief that every student can learn and that parents—not bureaucrats—should make decisions for their child. It gives students and families real choices, the resources they need for a strong start in life, and the information they need to make critical decisions.*

*Governor Bush’s education reform agenda is guided by four core principles:*

- ❖ ***Education decisions should be made as close to the student as possible.*** *The federal role in education should be limited, and should respect the decision-making power of parents, teachers, schools, and local and state officials.*
- ❖ ***Choice—of all kinds—should be expanded across the board.*** *Choice fuels innovation and competition in the education market, resulting in a greater diversity of options for students and teachers, and ultimately better results. Choice goes beyond just choosing a school. It also means being able to tap into opportunities to learn outside the traditional classroom. Rather than having the students fit into the “system,” we need to empower individual families to find the learning environments that best meet their unique needs.*

- ❖ ***Transparency is essential to choice, quality and results-based accountability.*** *Parents and students need information to make good choices; teachers need information to improve their teaching; and policymakers need information to ensure scarce resources are invested in what works. Information should be used as a flashlight to guide progress rather than simply as a hammer to punish failure.*
- ❖ ***Innovation requires flexibility.*** *In exchange for choice and transparency around outcomes, we should reduce the number of rules and requirements tied to federal dollars. These rules simply drown the system in compliance costs, wasting valuable resources and preventing innovation. We need to empower educators to use their passion, creativity and energy to transform education.*

### **Supporting Lifelong Education**

In our increasingly knowledge-based economy, all Americans need a quality education that equips them with the skills to succeed. Understanding that many families invest in their children's education well before college, Jeb's plan allows for the conversion of 529 college savings accounts into Education Savings Accounts. These accounts would allow families and individuals to save tax-free for lifelong education, including for pre-K, elementary school, high school, college, job training, tutoring, summer school or online classes. Relatives, employers, and other non-relatives would also be able to contribute to these accounts. As they currently do with 529 college savings plans, states would choose whether to offer Education Savings Accounts and would continue to oversee these savings plans.

To help low-income families save for their children's education, Governor Bush would foster charitable giving directly to the Education Savings Accounts of low-income children by making those contributions tax-deductible. If the full amount of funds in an individual's account isn't spent, that individual can pass the funds down to their child.

### **Early Childhood Education**

Despite spending roughly \$22 billion each year on early childhood through approximately 44 different programs—more than the federal government spends on low-income students in K-12—too many low-income children are unprepared for Kindergarten. In order to ensure that those dollars are spent directly on children's education, rather than wasted on bureaucracy, Governor Bush would allow states to return these funds directly to parents and let them choose the type of education that their children actually need (day, night, weekends, center-based, home-based), rather than the type a bureaucrat is offering. Giving families choice will ensure each child's unique educational needs are met, as well as fueling a focus on results, innovation, transparency and accountability in early childhood education. This new system would be optional for states—states could choose to opt-in or they could maintain the status quo and continue to participate in the fragmented menu of programs and services available from the federal government.

In the states that choose to participate, Governor Bush's plan would consolidate existing federal early childhood funds and deposit \$2,500 annually in the Education Savings Accounts of low-income children under the age of five. Participating states would create and execute a plan for regulating, evaluating and holding providers accountable for high educational quality, and ensuring parents have critical information on program quality and outcomes. States may (and would be encouraged to) contribute additional state and district funds to each child's account, facilitating seamless coordination with the significant state early childhood investments already in place. In most cases it will require more than the federal dollars to ensure adequate funding for a strong start for low-income children—the federal investment is intended to be *supplementary* to state, local, and family expenditures, just as it is for the education of children from low-income families in K-12 and post-secondary. Unspent funds would grow within the Education Savings Accounts and could be spent on K-12 education expenses, college tuition or postsecondary training.

### **K-12 Education**

Our primary and secondary schools have failed to keep up with the increasing knowledge and skill demands of the competitive 21<sup>st</sup> century global economy. We need a system that meets the unique needs of students through a diverse set of educational options with strong accountability for results. This is best achieved through empowering those closest to students—parents and teachers—to make decisions and returning the funding and accountability decisions back to states and local school systems. The states must continue to be the laboratories for change while the federal government's role should be limited and focused on responsibilities for which it is uniquely suited. The federal government cannot run or fix schools from Washington, but it can make it easier for families, educators and entrepreneurs to reform education.

The proposals below are designed to be budget neutral and return power and decision-making to the states and citizens. *To leverage the limited, but critical role of the federal government to create the conditions necessary for every child to graduate from high school prepared for the demands of college or the workplace, Governor Bush would:*

- ✓ Empower parents and students with quality options
- ✓ Support states with the flexibility and resources to create great schools
- ✓ Reward great teaching and successful student outcomes
- ✓ Give parents, teachers and taxpayers the information they need
- ✓ Drive innovation and research to break the stranglehold of the status quo

## Empower Parents And Students With Quality Options

- ❖ **Support Charter School Expansion:** There are nearly a million students languishing on waitlists around the country, hoping for the opportunity to go a charter school. Governor Bush would do everything within his power—from using the bully pulpit and reducing regulations and restrictions to increasing funding—to support charter school expansion and success so that more students around the country have the school options they want, need and deserve. Specifically, Governor Bush proposes doubling federal support for charter school expansion to meet the high demand of students on wait lists around the country.
- ❖ **Strengthen Educational Opportunity in D.C.:** In order to improve education in our nation’s capitol and give more families the opportunity to attend a school that best fits their needs, Governor Bush would ensure continued funding for the three-sector strategy which supports public, charter and private school options, and strengthen the D.C. Opportunity Scholarship Program.

## Support States With The Flexibility and Resources To Create Great Public Schools

- ❖ **Defend State Control Of Education:** Governor Bush would continue to build on Congress’ recent restoration of state control over accountability decisions and would ensure the federal government does not interfere with state decisions related to academic standards, content or curriculum. The federal government cannot, and should not, impose a one-size fits all model of *anything* on states. As the newly reauthorized Every Student Succeeds Act reinforces, states need to be held accountable for serving their citizens, not federal bureaucrats. This fundamentally conservative approach must be expanded to every part of education, not just accountability systems. States are best positioned to decide how to serve every student and family; the federal government must make it easier for states to do this, not create more rules, burdens and programs.
- ❖ **Increase State Flexibility & Allow States To Expand Choice For Disadvantaged Students:** Governor Bush would block grant Title I dollars to states to give them the flexibility and resources needed to expand student choices and innovate to better serve low-income students. He would also allow states to make Title I portable so that federal funds can follow low-income students to the school, course or program of their choice. States could deposit these funds directly into students’ Education Savings Accounts or use them to expand school choice in other ways.
- ❖ **Allow States To Make Federal Special Education Funds (IDEA) Portable:** Instead of forcing parents to fight in court for the right to send their special needs student to a different school, Governor Bush would give parents—with state approval—the federal dollars allocated to their special-needs child. Parents could then use those funds—made available through an Education Savings Account or a state choice system—to pay for the education that best serves their child’s needs.

- ❖ **Reward State Success:** Rather than dictating specific reform prescriptions from Washington D.C., Governor Bush proposes giving low-income and high needs schools the chance to earn additional dollars based on their ability to improve student outcomes. Rewarding performance will create incentives for schools to think more creatively about innovating in education in order to capture the additional dollars by improving performance goals. More importantly, it gives complete flexibility for schools to achieve the outcomes however they see fit and ensures the federal government pays for success, not just promises. States are the laboratories of innovation, and rewarding success instead of applying punitive regulations and bullying from D.C. will drive reform around the country.

### **Reward Great Teaching And Successful Student Outcomes**

- ❖ **Support Great Teaching and Ensure The Neediest Benefit From The Best Teachers:** Teachers are our most valuable resource. To support great teaching, Governor Bush would block grant Title II funds and give states the option to spend those funds on rewarding top teachers in a state's lowest performing schools; recruiting new talent to the teaching profession; or creating individual training accounts that teachers can use to further their own professional development. Just as school choice allows students to receive the education best suited to their needs, giving teachers more choice over professional development would allow them to receive training tailored to their needs. States would need to evaluate and demonstrate the positive impact of their approach on student outcomes.

### **Give Parents, Teachers And Taxpayers The Information They Need**

- ❖ **Publicly Report Critical Student Outcome Measures:** Transparency is the most basic form of accountability—parents, teachers and taxpayers need information to evaluate their schools and make informed decisions. ESSA will ensure that there is richer information on student achievement available to the public than ever before, but much more must be done to provide taxpayers, policymakers and parents actionable information beyond static test scores. Rather than having states bury information in warehouses or state websites, Governor Bush would require states to ensure every citizen receives a complete, useful and timely picture of student achievement, system progress and finances in their schools.
- ❖ **Guarantee Parent and Teacher Access to Information:** Governor Bush would ensure that every parent is given their own child's information in a timely, contextual, useful format, as well as information on the quality of schools and programs available to their family. Every teacher should also receive information on the students enrolled in their classes before they show up for the school year.
- ❖ **Safeguard Student Privacy:** States must prioritize the safeguarding of student information through strong governance, use of best practices in information security and privacy protection and increased training and communication around data

protection. Parents should be able to trust that their child's information is being safeguarded and used in appropriate ways.

### **Drive Innovation and Research To Break The Stranglehold of the Status Quo**

**Support Next Generation Education Models:** Every part of our lives has been transformed by technology and information; yet, today's students "receive" education in the same passive manner that their grandparents did. In order to encourage innovation and play a trust-busting role, Governor Bush would support states' creation and scaling of innovative school models such as online, blended and competency-based learning models.

**Invest in Research, Development and Dissemination:** Governor Bush would invest in researching what is working in education around the country and disseminating that information to ensure that leaders and educators in every state and district can learn from the successes and failures of others.

### **Post-Secondary Education & Training**

Education after high school has become critical to upward mobility, yet post-secondary education and training has become too expensive for many Americans to afford, not to mention the quality of degree and certificate programs vary dramatically. Students lack the information to identify colleges that are worth the investment, and more than 40 percent of those who start a program fail to finish one in six years. Increasing numbers of student loan borrowers struggle to repay their debts. Simply spending more federal money will not solve these problems. Existing aid programs give institutions every incentive to enroll students at high tuition prices and less incentive to make sure they are equipped to succeed. While advances in technology and new models of education could create a wider array of affordable, effective options, regulatory barriers to entry keep new competitors out. *To fix these problems, Governor Bush would implement a new system that will:*

- ✓ Ensure Flexible Access to Post-Secondary Education and Training with Education Savings Accounts
- ✓ Drive Down Costs and Hold Post-Secondary Institutions Accountable
- ✓ Expand Student Access To Innovative New Types of Education and Training
- ✓ Give Students and Families the Information They Need To Make Good Decisions
- ✓ Help Existing Borrowers Successfully Repay their Loans

## **Ensure Flexible Access to Post-Secondary Education & Training with Education Savings Accounts:**

A vibrant future for all Americans requires every single one of our citizens to be a skilled and contributing member of society. In our increasingly skilled economy, a successful career requires education and training beyond high school. That may come in the form of apprenticeships, short-term programs for career preparation, micro-credentials, or more traditional two-year or four year colleges—but everyone needs access to postsecondary training. And they need options that fit their needs and goals. Many students cannot afford to drop everything and enroll in a traditional college for multiple semesters. They would prefer to jump in and out of programs to gain the skills they need, when they need them.

To ensure flexible access to post-secondary education and training, Governor Bush would consolidate all current funding and replace the confusing, burdensome federal loan program with an entirely new, income-based financing system that gives students ownership and the flexibility to plot their own individual educational path. This new financial aid system would eliminate FAFSA, the confusing financial aid application process, and remove the menace of accumulating interest, default, damaged credit and collections agencies. It would ensure that repayment is predictable and affordable, protects students during periods of unemployment or underemployment, and eliminates defaults. It would encourage low-income students to aim high and invest in their future, and give students ownership of their student aid, incentivizing them to be cost-conscious and spend funds carefully over the course of their education, which will help bring down the spiraling cost of post-secondary education.

Specifically, Governor Bush would provide all high school graduates access to a \$50,000 line of credit (similar to the amount currently available for independent undergraduates) through their Education Savings Account. Recipients would be able to use the funds to pay for a wide-range of educational and skill building programs over the course of a lifetime, with sensible first year spending limits. Unlike the federal contributions to Education Savings Accounts for low-income students (early childhood, K-12, Pell Grants) which come with no repayment obligation, every student accessing the \$50,000 line-of-credit would repay by contributing a percentage of their incomes proportional to the amount spent—1% for every \$10,000 spent—through their federal income taxes for 25 years. No student, no matter how successful, would repay more than 1.75 times the amount spent. As they do currently, students will have to make satisfactory academic progress to maintain access to funds. To help students navigate their educational finances, Governor Bush would incorporate financial education into all aspects of the program's management.

Low-income students, in addition to the \$50,000 line of credit, would also have access to an improved need-based Pell Grant through their Education Savings Account—so that every student, regardless of income, knows that college is within their reach if they work hard. For children under 18, eligibility would be assessed through their parents' tax returns. Students would be notified of likely eligibility in 8<sup>th</sup> grade, and the total grant

amount would be credited to their Education Savings Account over the course of high school. Once students graduate from high school, they would be able to access a portion of the total grant amount each year to spend on educational and skill building programs. Low-income adults without a postsecondary degree could become eligible for grant funds by completing a simple application when they file their taxes.

Dual-Enrollment: In order to support student efforts to save themselves time and money, Governor Bush would allow students to use a portion of their line-of-credit or grant to pursue postsecondary work—such as AP classes, college credits and industry certifications etc.—while still enrolled in high school, provided they meet certain performance benchmarks.

### **Drive Down Costs and Hold Post-Secondary Institutions Accountable**

America has some of the best colleges and universities in the world but our higher education system is increasingly unaffordable for most Americans and too often doesn't prepare students to succeed in the workforce, raising important questions about institutional accountability. To protect students and taxpayers, drive down costs and ensure Americans are getting real value for the money they spend on higher education, Governor Bush would give colleges and career training programs “skin in the game.”

He would put all institutions—colleges, universities, workforce training programs, apprenticeship etc.—on the hook for a portion of the federal funds students spent at that institution and were unable to repay. Giving colleges “skin in the game” forces institutions to share the risk of failure with students and taxpayers, incentivizing them to increase the value of their programs by reducing costs and boosting quality, and ensure that students graduate with the skills to succeed in the workforce. Institutions whose students chronically fail to repay their obligations would also lose eligibility based on a new and more rigorous performance standard. To ensure colleges maintain access for low-income students, colleges will receive bonuses for every low-income graduate.

### **Expand Student Access To Innovative New Types of Education and Training**

Many students cannot afford to drop everything and enroll in a traditional college for multiple semesters at a high price tag—they would rather get recognition for what they learned on the job or in the military and/or pursue the skills they need for career-advancement as quickly and affordably as possible. New models of education—low-cost course and assessment providers; exam-based certifications of learning; targeted, short-term programs for career preparation; and apprenticeship models—offer alternative and often less expensive routes to develop skills with great labor market value. Unfortunately, students are currently unable to use their federal aid at many of these programs, making these successful new options unaffordable for most students.

Governor Bush would allow students to spend Education Savings Account funds at a broader set of postsecondary organizations – prior learning assessments, short-term occupational training, industry certifications, apprenticeships etc. – that have

demonstrated positive student outcomes. New providers will gain incremental access to federal student aid based on their rates of student success (completion, licensure/certification passage rates, labor market outcomes). Initially, providers would have no access to federal funds upfront, but would be reimbursed based on their rates of student success. Over time, successful providers could gain full access to Education Savings Account funds based on their performance. New, independent quality assurance organizations—employer groups, industry associations, nonprofits—will be granted the authority to oversee the process and make eligibility decisions in exchange for more accountability and transparency.

### **Give Students and Families The Information They Need To Make Good Decisions**

Today, prospective students lack the information they need to choose the school or program that is best for them. To ensure that students have the information needed to evaluate schools and training programs, Governor Bush would incentivize the creation of state databases that make information on student outcomes on the program level (retention, completion, unemployment, earnings, etc.) available to the public. He would do this by making receipt of federal student aid at institutions within a state contingent on the state creating this database, and by making federal information on repayment rates, loan performance, and graduation rates available to states and other third parties. This information is already being collected at the state and federal level, and should be made available to students and families while ensuring the privacy and security of student information through strong governance, use of best practices in data security and privacy protection, and increased training and communication around data protection.

*To guarantee that students actually receive this critical information,* Governor Bush would require students to verify they have received it from the program they plan to enroll in before they can spend the money in their Education Savings Account.

### **Help Existing Borrowers Successfully Repay Their Loans:**

While Governor Bush's income-based repayment model will eliminate debt balances, interest and defaults for all future students, there are millions of Americans currently struggling to repay their debt—or already in default with disastrous consequences for their ability to buy a car, a home, start a business or get a job. For those students, Governor Bush proposes the following reforms to ensure they successfully repay their loans:

- ❖ Allow borrowers with existing debt to transfer into Governor Bush's new financing system and repay their outstanding debt with a percentage of their income.
- ❖ Facilitate struggling borrowers movement into the existing REPAYE program. Millions of people continue to default and ruin their credit despite existing options for income-based debt repayment due to various administrative and informational barriers.

- ❖ Allow all borrowers to extend debt repayment period up to 30 years to reduce the monthly burden of student debt and lower the risk of default.
- ❖ Make federal debt collection more transparent, simple and fair while intensifying efforts to move borrowers into income-based repayment when they first miss payments.
- ❖ Task the Department of Treasury with managing the \$1.2 trillion in outstanding federal loans to mitigate the financial risk to our nation's fiscal stability.
- ❖ Make it easier for private student debt to be discharged in bankruptcy.

### **Conclusion**

Reaching our goal of four percent annual growth requires providing every individual in this country with the skills and knowledge necessary to succeed in the increasingly competitive 21<sup>st</sup> century global economy. We know how to do this. Jeb's record in Florida proves that when we empower families with quality learning options and the means to access them, student achievement increases. Making America's education system world class is not only an economic imperative, it is a moral one. We can change the trajectory of our nation's future as well as the lives of individual students. There is nothing more important to the right to rise than a world-class education. Our children deserve one.