It's Elementary
A Monthly Column by EFAP Director John Yinger
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How the No Child Left Behind Act Undermines Education Standards

The federal No Child Left Behind Act (NCLB) has brought unprecedented federal involvement in elementary and secondary education. More specifically, NCLB imposes strict new requirements on state education systems and provides additional education funding. This column reports on a recent study that investigates the impact of NCLB on state education policy.¹

NCLB did not invent the idea of educational accountability. In fact, virtually every state had an education accountability system before NCLB was passed, and many of these state systems were more stringent, and probably more effective, than NCLB. Nevertheless, since NCLB was passed, most states have backed away from their original accountability systems and focused on the NCLB requirements.

NCLB allows each state to devise its own student testing program and to set its own student performance targets. This flexibility in defining tests and targets does not extend to progress in meeting targets, however. Although the precise phase-in provisions are complex, every state is expected to meet its student performance targets by 2014. Schools that do not meet these targets by this date (or that do not make adequate yearly progress along the way) face severe penalties. These penalties include allowing students to leave for another school, providing tutoring, replacing school staff, or even turning control of the school over to the state.

Using data from Kansas and Missouri, William Duncombe, Anna Lukemeyer, and I estimate the extra costs required to meet the NCLB standards, and compare these extra costs to the increases in federal

funding. We find that the increase in federal aid falls far short of the spending increases required to meet 2011 state NCLB standards in both states. In fact, this aid covers only 20.9 percent of the required spending per pupil in Kansas and only 3.9 percent in Missouri. These gaps would be even larger by 2014.

Our results differ for Kansas and Missouri largely because Kansas has a much lower standard for student performance. This finding leads to the principal flaw in NCLB, namely, that a state cannot avoid NCLB sanctions without either setting low standards for student performance or significantly raising state and or local taxes to provide the funding that high standards require. Federal funding is not sufficient to support high standards. States have a strong incentive, therefore, to set low standards that can be met without raising more revenue.

In January 2006, the Missouri State Board of Education responded to this incentive as one might expect: It lowered its educational standards. More specifically, the Board approved new cut-offs for the state tests that “should result in more students scoring at the ‘proficient’ and ‘advanced’ levels.” According to the Board’s press release, this policy change was deemed to be “critical because federal law (No Child Left Behind) requires all children to be proficient in reading and math by 2014. Public schools that do not make satisfactory progress toward these goals face penalties. The federal law also allows each state to set its own definitions of proficiency.”

In short, NCLB gives states a strong incentive to dumb their standards down. This incentive undermines the main purpose of NCLB which is “to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging State academic achievement standards and state academic assessments.”

This perverse incentive needs to be removed from NCLB. States should not be rewarded for setting low standards. One possibility is to calibrate state standards based on their correlation with National Assessment of Education Progress test scores, the only national tests currently available for a random sample of students in each state. More specifically, the Secretary of Education could be given the authority to rank state standards. States with stricter standards could then be given either more federal funding or lower sanctions if their standards are not met.