



Leveling the Playing Field:

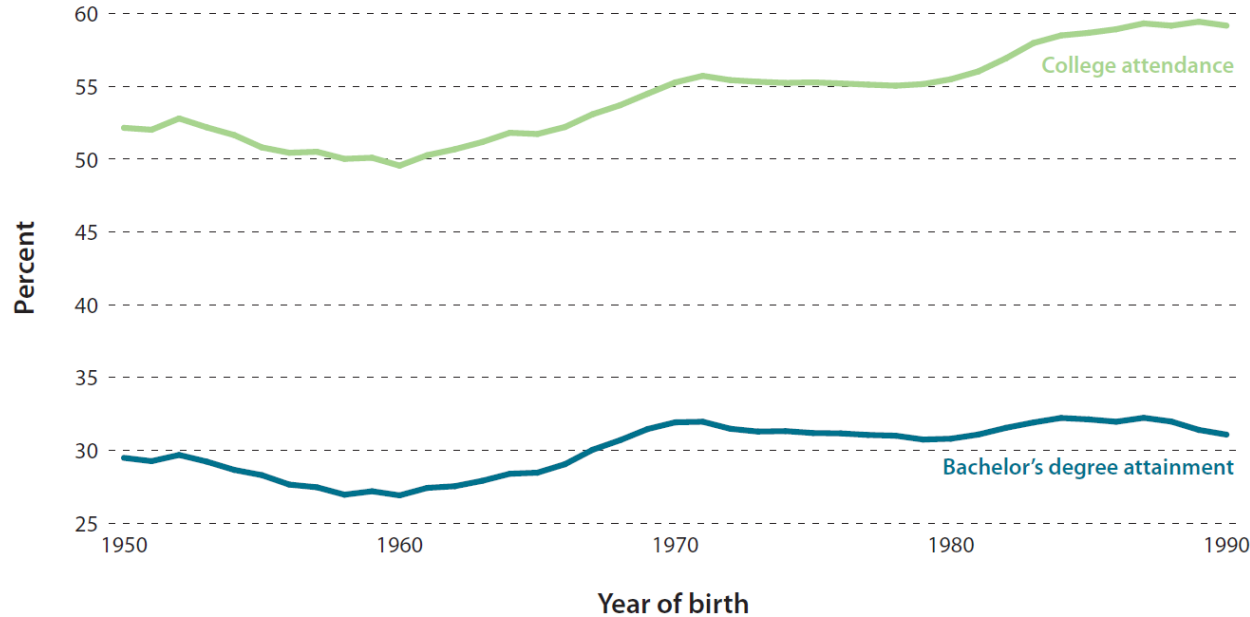
*Policy Options to Improve Postsecondary
Education and Career Outcomes*



Increasing College Completion with a Federal Higher Education Matching Grant

David J. Deming

College Attendance and Bachelor's Degree Attainment Rates by Age 25, by Birth Cohort



Source: Census Bureau 2000–15.

Note: Figure shows share of each birth cohort that attended at least one year of college and the share that completed at least a bachelor's degree, respectively.

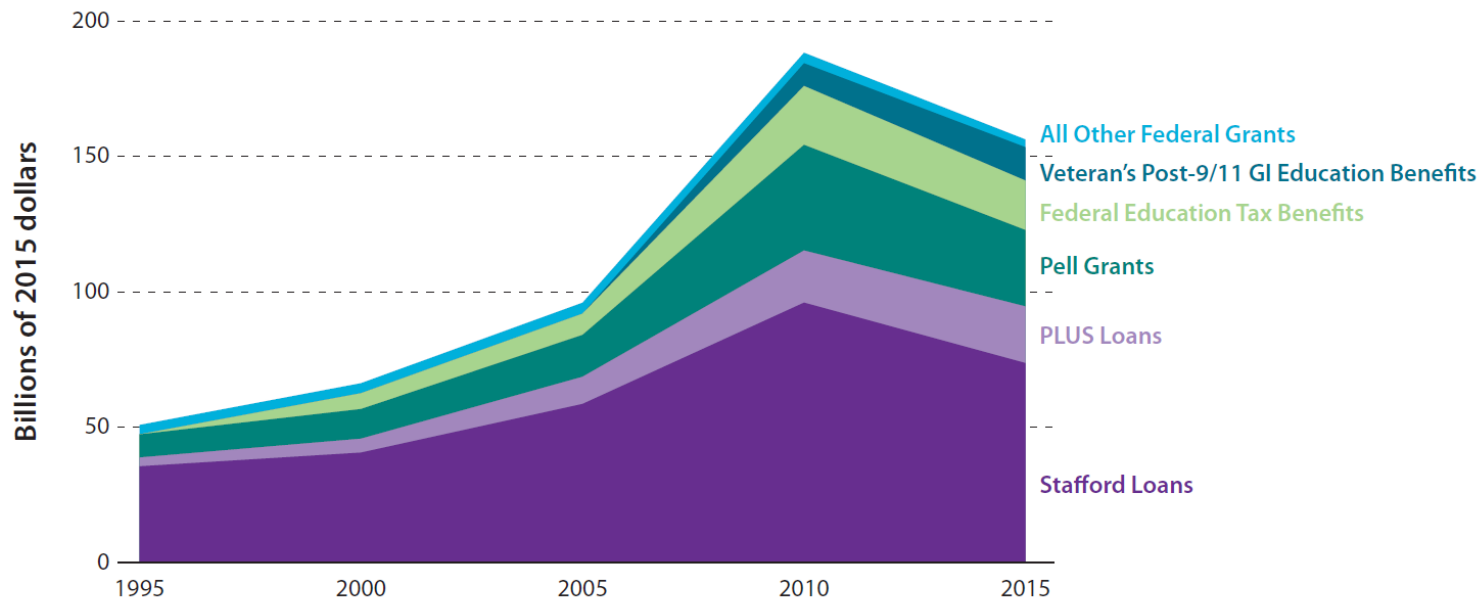
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Trends in Federal Financial Aid by Source (in billions, constant 2015 dollars)



Sources: Data compiled from federal sources by the College Board (2016).

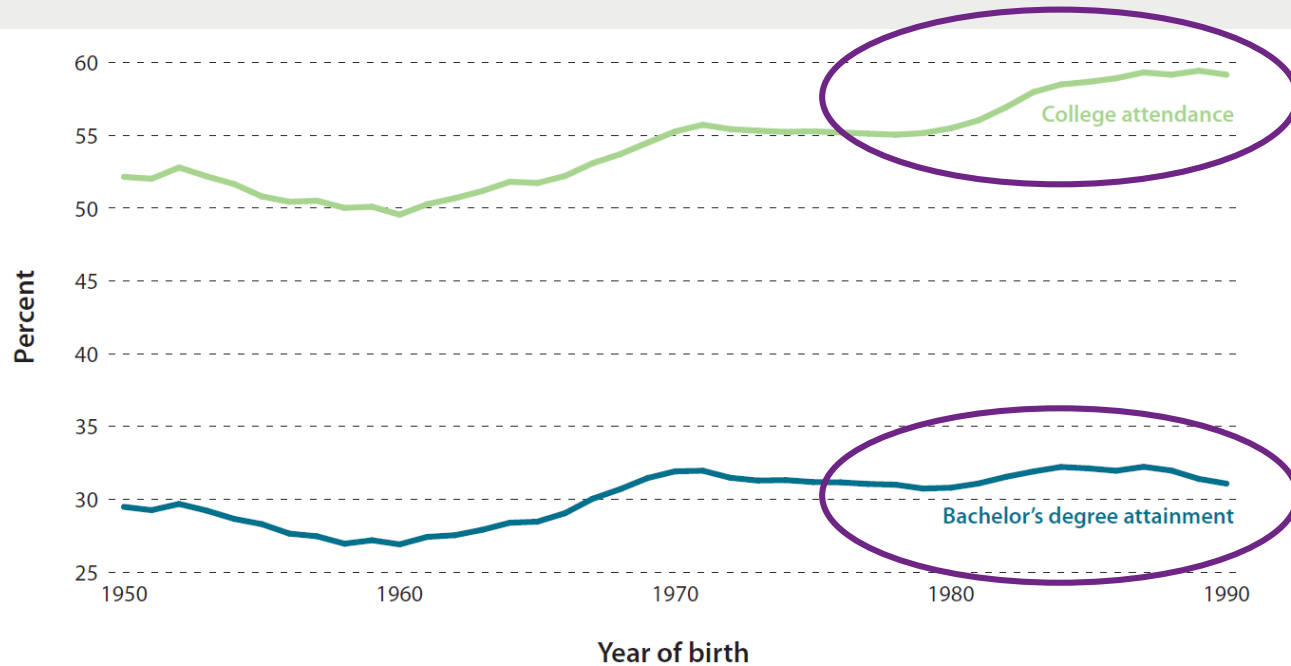
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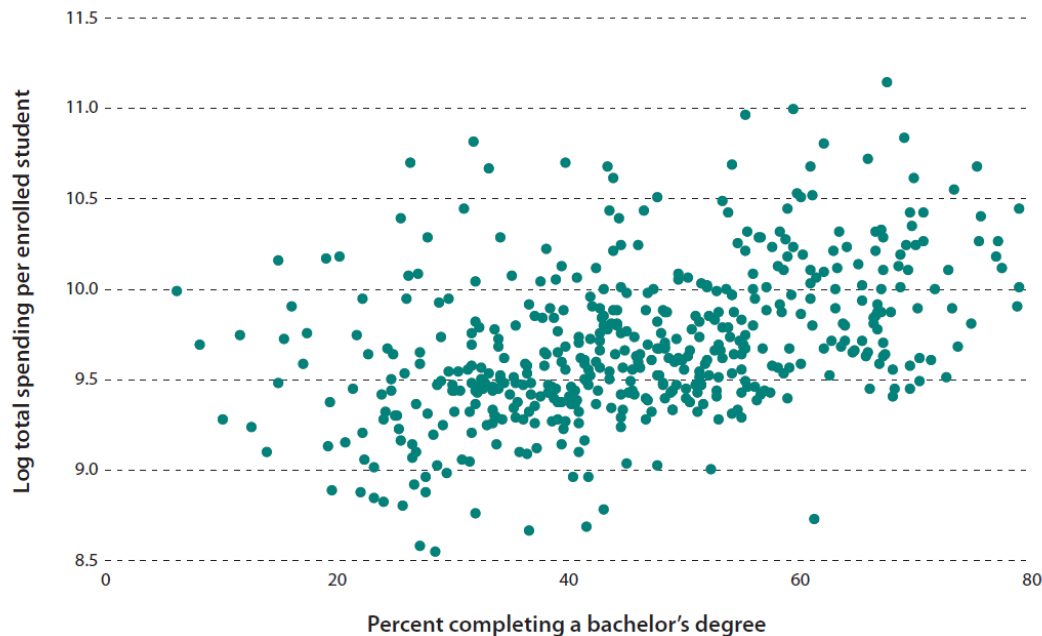
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Bachelor's Degree Completion and Per Student Spending



Source: U.S. Department of Education 2015.

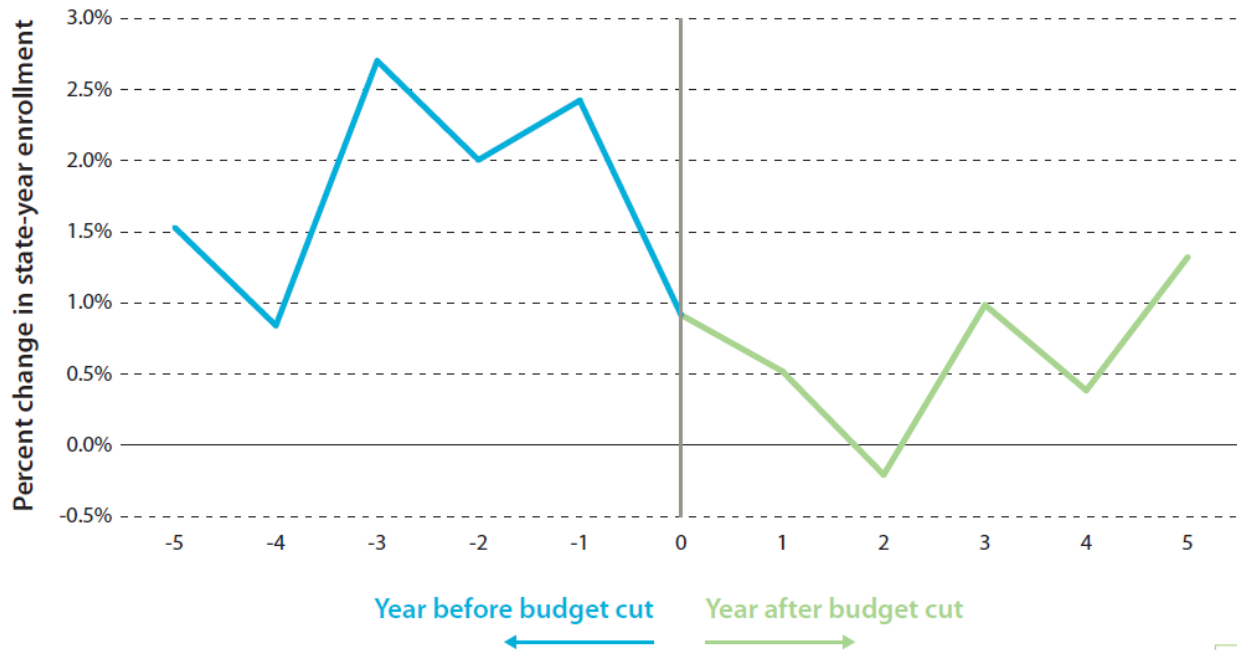
Note: The percentage of students that complete a bachelor's degree is calculated using the share of an initial entry cohort in 2008 that completes a bachelor's degree within six years. Sample is restricted to four-year public institutions, excluding the most selective universities (defined as either "Most Competitive" or "Highly Competitive" by the 2009 Barron's Profile of American Colleges and Universities).

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State Higher Education Budget Cuts and College Enrollment



Source: Deming and Walters 2017.

Note: Sample includes yearly budget cuts of 15 percent or more.

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A Federal Matching Grant

- 1:1 Federal match of the first \$5,000 in per-student spending, *for institutions in states that commit to tuition-free college*
 - Enacted in 6 states, under consideration in 17 others as of Nov. 2016
- Guards against a “race to the bottom”, low tuition/low spending equilibrium
- Conditions
 - Restricted to core spending – instruction and academic support
 - Maintenance-of-effort
 - Restriction on growth of administrative spending
 - Higher match rate for proven programs that increase completion among low-income students (e.g. CUNY ASAP)
- How much would it cost?
 - Depends on how many states adopt, institution and student responses
 - Max is \$29 billion (all colleges, 50 states) – still only 20% of current Federal spending
 - Tax credits currently cost \$18.2 billion, and have zero impact on attainment (Bulman and Hoxby 2015)



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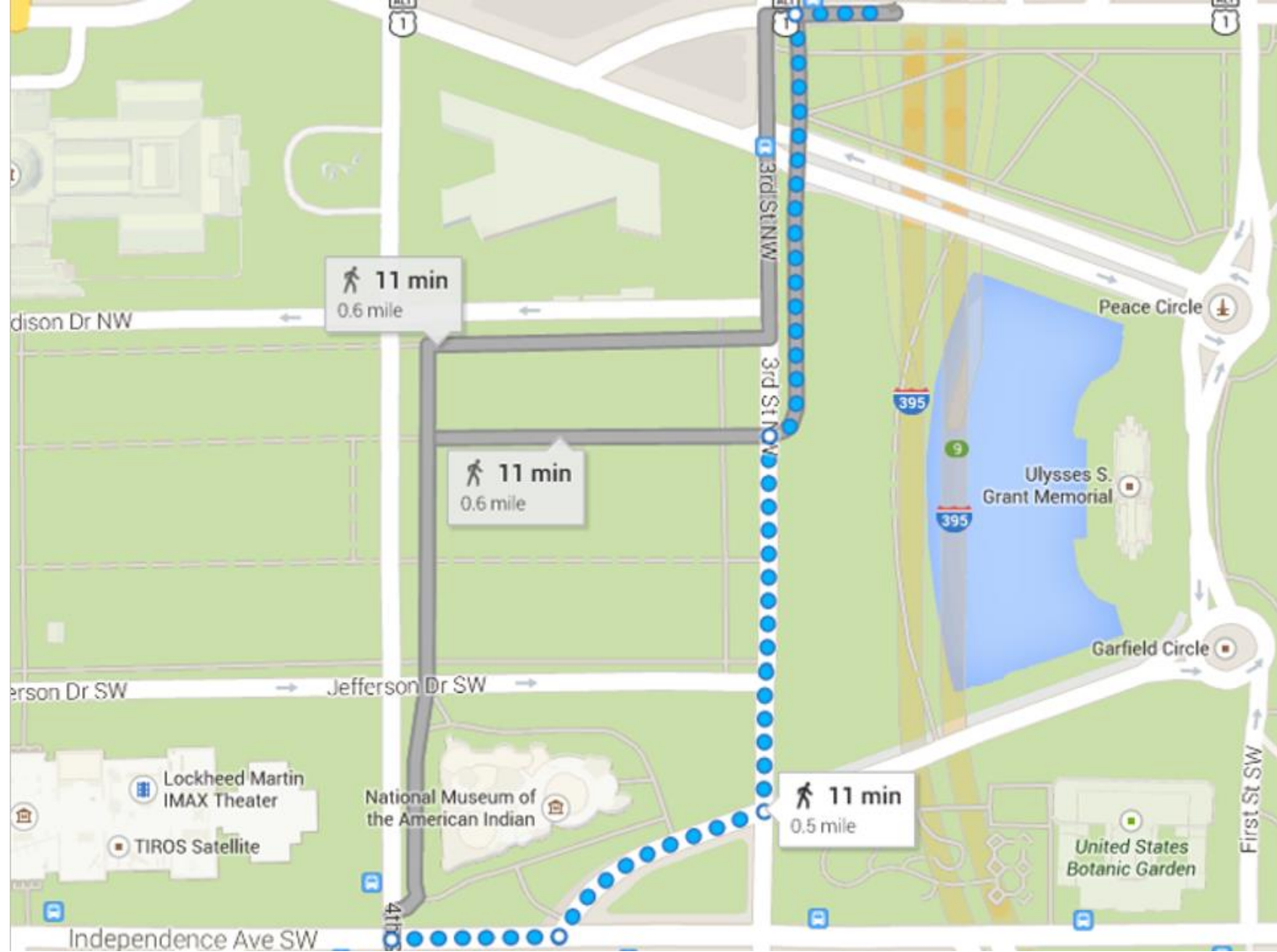
Leveling the Playing Field:

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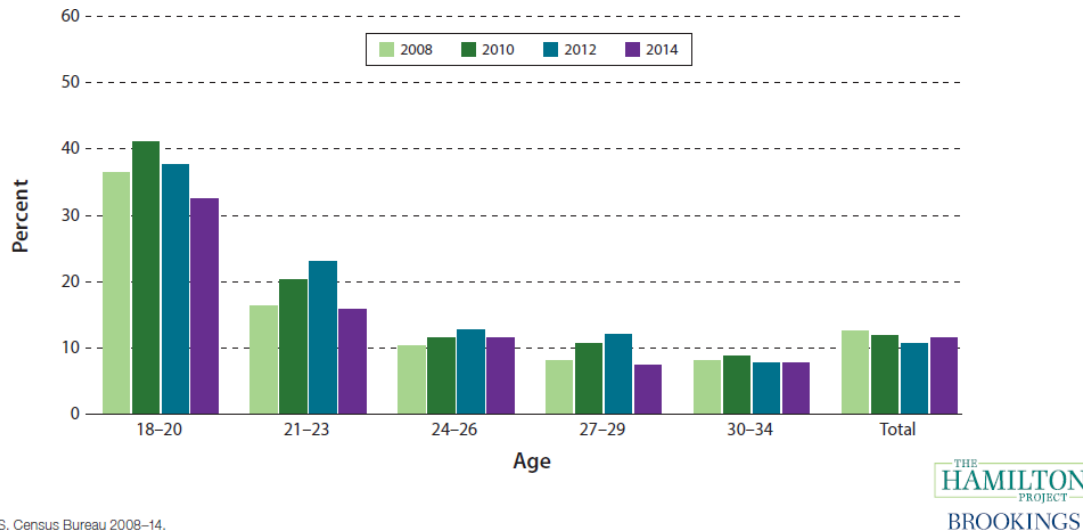
Labor Force to Lecture Hall: Pell Grants and Postsecondary Policies in Response to Job Loss

Sarah Turner



Enrollment Rate by Age among Unemployed

FIGURE 2.
Enrollment Rate by Age among Unemployed



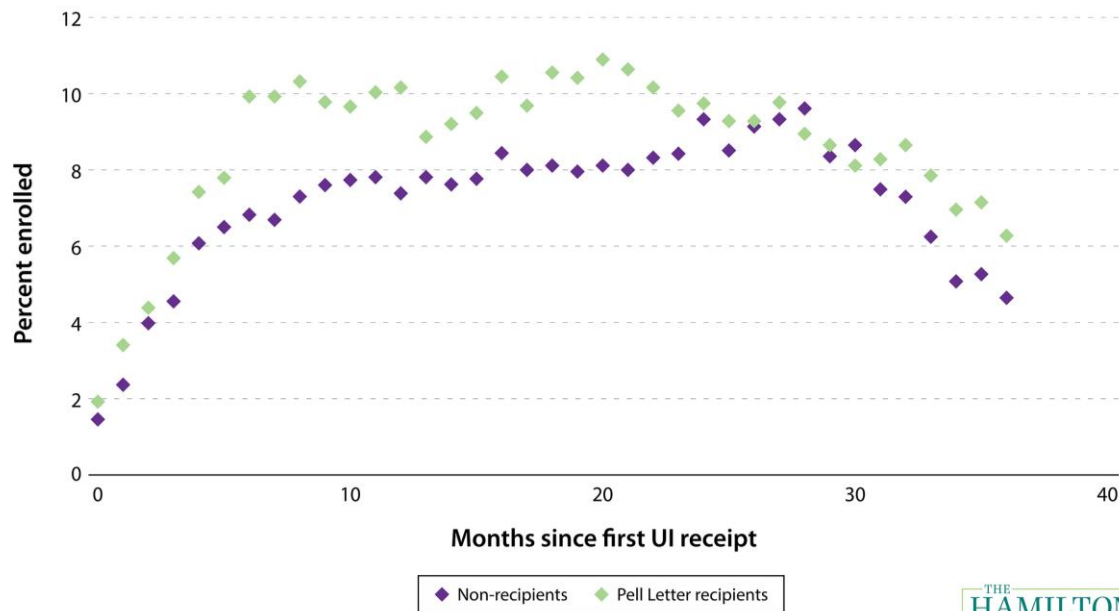
- Mixed evidence on long-term returns
- Individuals may face difficult in negotiating post-secondary choices, UI requirements, financial aid policy

Market Problems, Policy Options and Evidentiary Holes

1. Restructure financial aid and align with income support for UI recipients (and other adult workers)
 - Replace Pell and tuition tax credits with grant for educational expenses and access to income support
2. Develop and test tools to foster informed program choice and program completion
3. Provide supply-side supports
 - Subsidies to programs in high-need subjects
 - Limit access to poorly-performing programs
4. Support infrastructure for evaluation and policy R&D

Pell Letters Provided Relevant Financial Aid Information During the Recession

Enrollment by Months Since First UI Receipt



Source: Barr and Turner 2015b.

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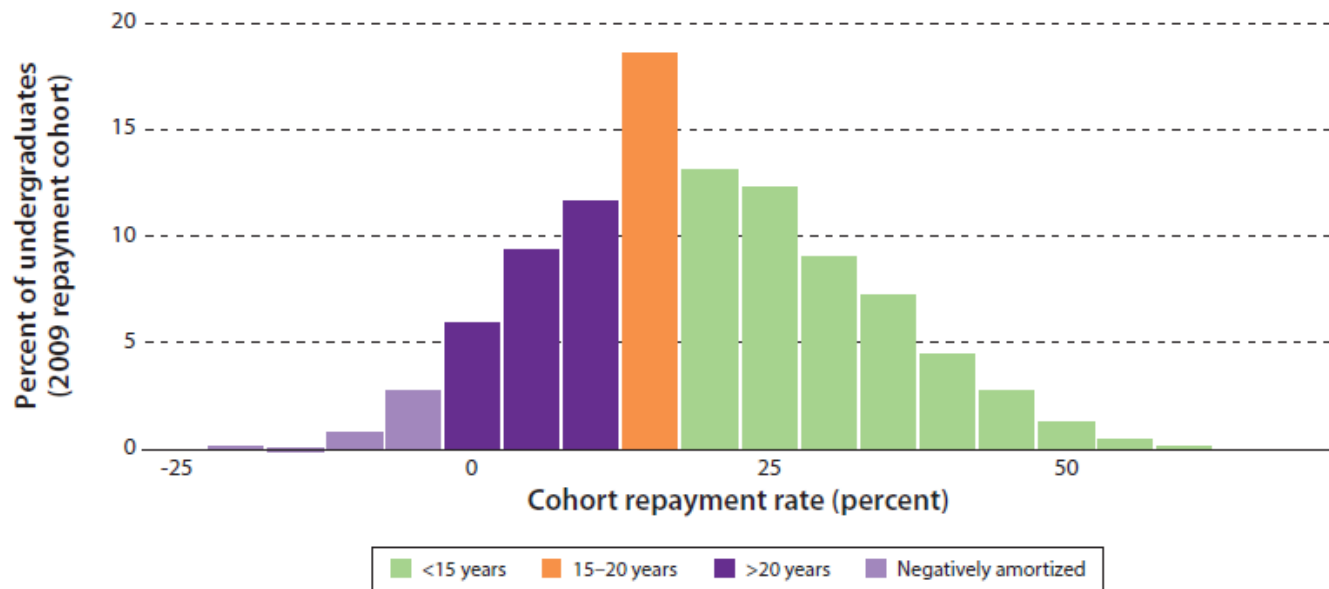
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A Risk-Sharing Proposal for Student Loans

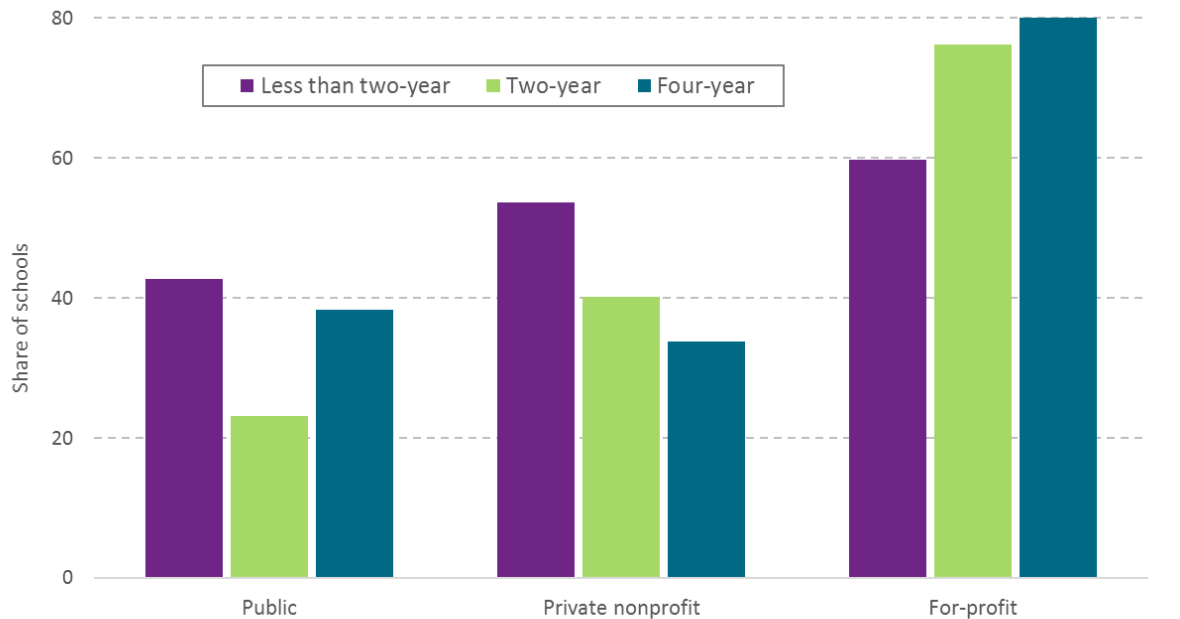
Tiffany Chou, Adam Looney, and Tara Watson

Distribution of Repayment Rates



Source: Tiffany Chou, Adam Looney, and Tara Watson (2017), "Measuring Loan Outcomes at Postsecondary Institutions: Cohort Repayment Rates as an Indicator of Student Success and Institutional Accountability," NBER working paper 23118.
Note: Covers undergraduate loans that began repayment in 2009 and observed five years after. Calculations are weighted by the school's undergraduate borrower count.

Projected Share of Schools Paying Risk-Sharing Fees

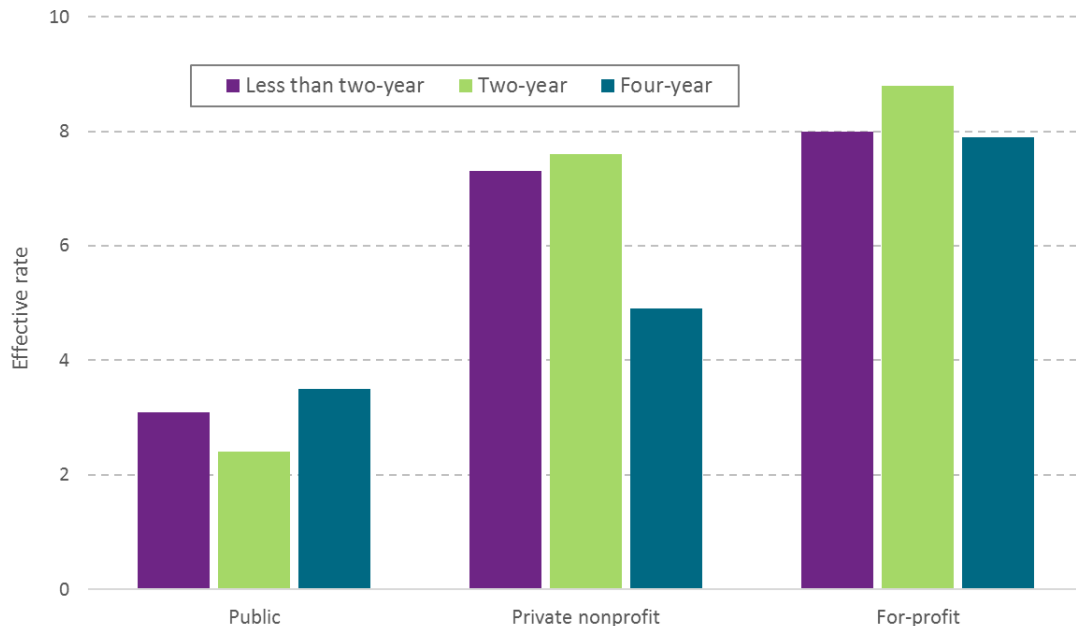


Source: Authors' calculations based on proprietary data provided by Federal Student Aid.
Note: Unweighted. Restricted to the 2,171 schools that are charged a risk-sharing fee.



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Projected Fees as a Share of Loan Dollars for Affected Institutions



Source: Authors' calculations based on proprietary data provided by Federal Student Aid.

Note: Unweighted. Restricted to the 2,171 schools that are charged a risk-sharing fee.

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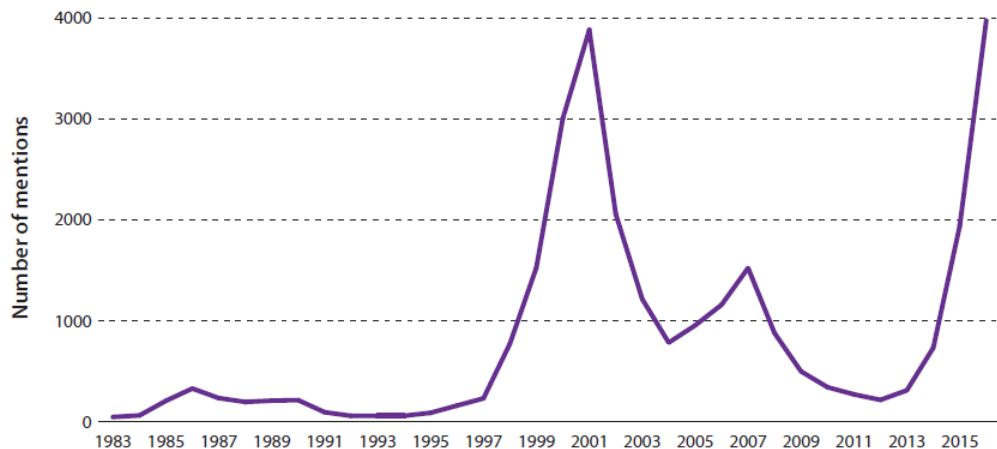


Understanding and Addressing Teacher Shortages in the United States

Thomas S. Dee and Dan Goldhaber

The Challenge

FIGURE 1.
Mentions of “Teacher Shortage” in U.S. News Coverage, 1983–2015



- Anecdotal accounts of dire teacher shortages (figure 1)

Source: Authors' calculations based on data from NewsBank.

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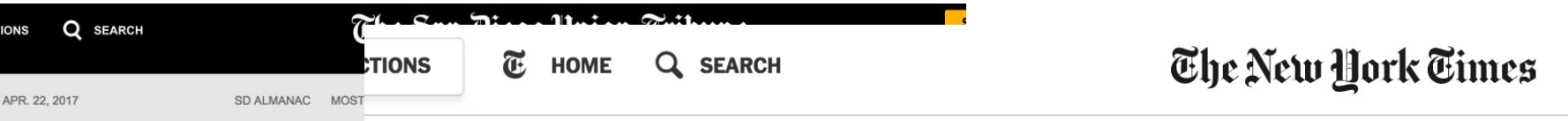
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That California teacher shortage? It's already a crisis



The Challenge



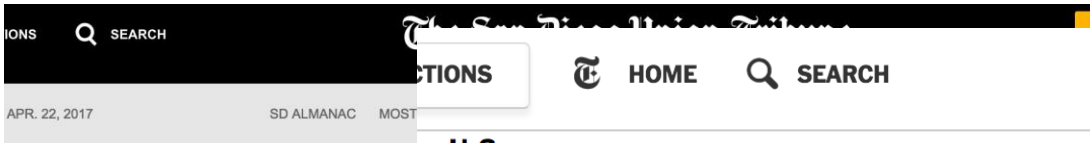
That Californi
already a crisi

U.S.

Teacher Shortages Spur a Nationwide Hiring Scramble (Credentials Optional)



The Challenge

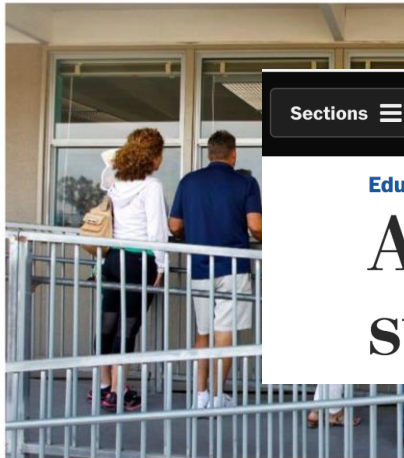


The New York Times

U.S.

That Californi
already a crisi

Teacher Shortages Spur a Nationwide Hiring Scramble (Credentials Optional)



Sections

The Washington Post
Democracy Dies in Darkness

Education

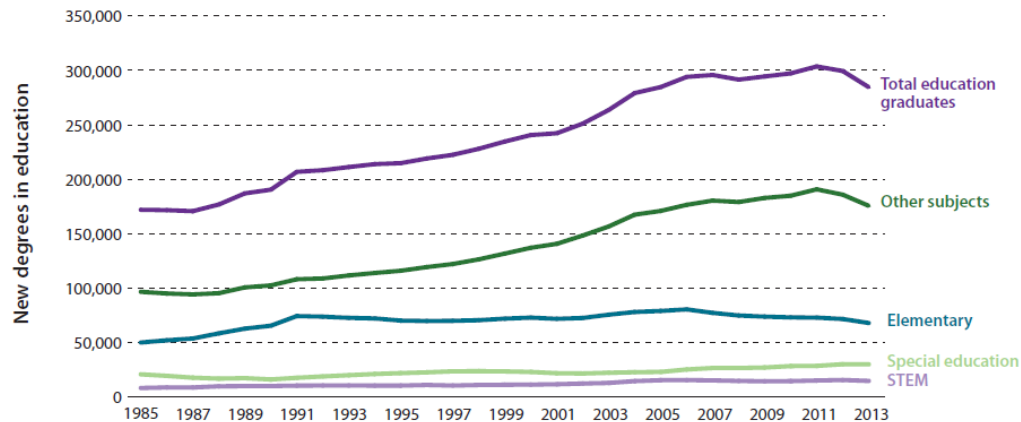
America has a teacher shortage, and a new
study says it's getting worse



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FIGURE 2.
Annual Education Graduates, 1985–2013



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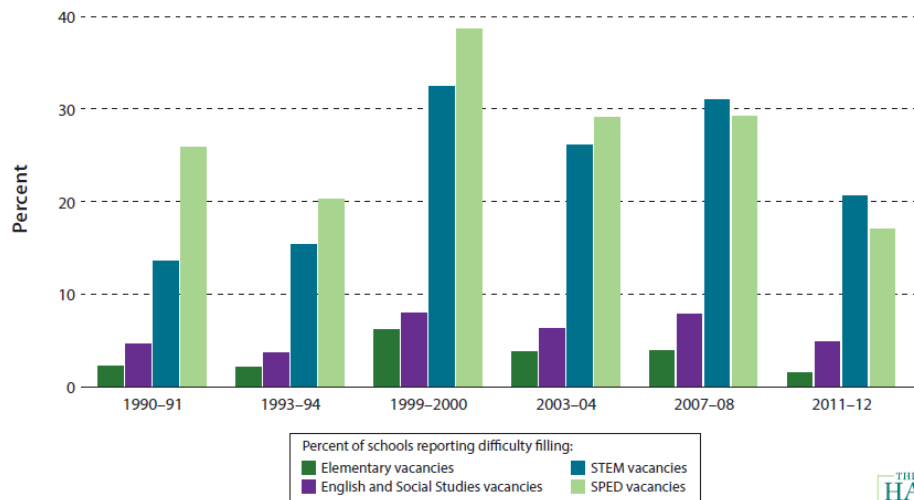
- No clear evidence for broad national shortages
 - No substantial increase in pupil-teacher ratios
 - Number of education graduates produced annually (figure 2) still exceeds teachers hired.



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FIGURE 3.
Percentage of Difficult-to-Fill Teacher Vacancies, Select School Years



Source: Cowan et al. 2016.
Note: SPED = special education.

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- But long-standing challenges (figure 3) in staffing certain subjects (STEM, special education) & schools serving disadvantaged children have worsened
 - Evidence from California (table 1) and New York state



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Proposals for Districts

- Increase the use of *targeted* incentives for teachers in high-need subjects & hard-to-staff schools
- Adopt earlier and aggressive recruitment strategies
- Prioritize student-teacher placements in subjects & schools that meet anticipated district needs

Proposals for States

- Modify teacher licensure requirements in high-need areas
- Create *true* licensure reciprocity with other states
- Provide teacher candidates with information on the better job prospects in high-needs specializations



Leveling the Playing Field:

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Improving College and Career Outcomes of Low-Performing High School Students

Louis S. Jacobson

The Challenge: Improve college and career outcomes of low-performing high school students

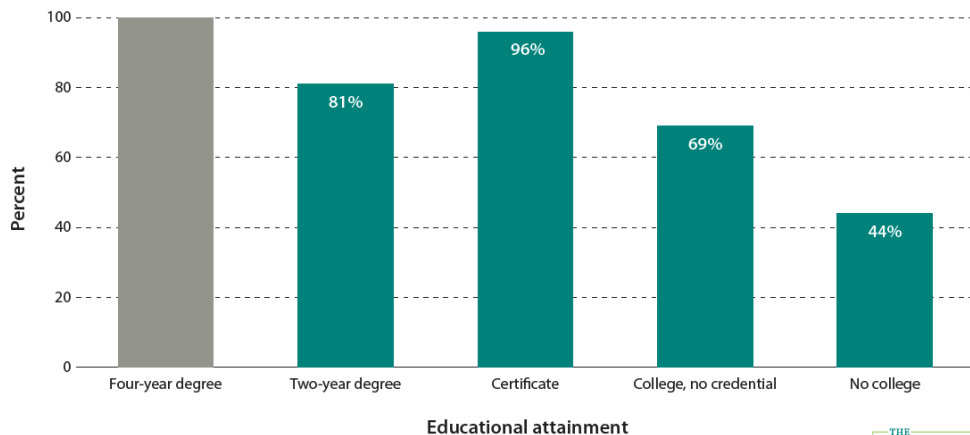
Sources of the problem:

- Low-performing (below-B GPA) students lack motivation to prepare for college because they erroneously believe that:
 - College is **only** worthwhile for high performing (A/B+) students.
 - A high school diploma **ensures** college readiness.
- High school teachers lack a mandate to help low-performing students see meaningful connections between high school, college, and careers.

What students need to know about: Educational attainment and earnings

FIGURE 1.

Earnings by Educational Attainment Relative to Four-year Degree



Source: Author's calculations using Florida College and Career Readiness Initiative (FCCRI) data.

Note: Earnings are indexed to 100 for a four-year degree.

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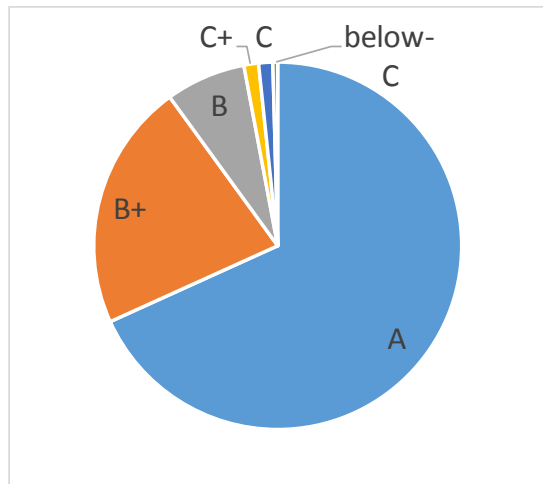
- BAs lead to the highest earnings
- Certificates lead to earnings almost as high
- AAs lead to earnings 19 points lower
- Some college leads to earnings 29 points lower
- No college leads to earnings 56 points lower



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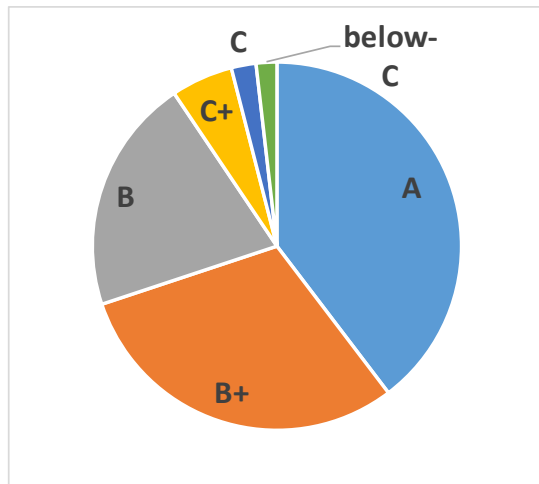
What students need to know about: High school GPA and educational attainment

Bachelor's Degrees



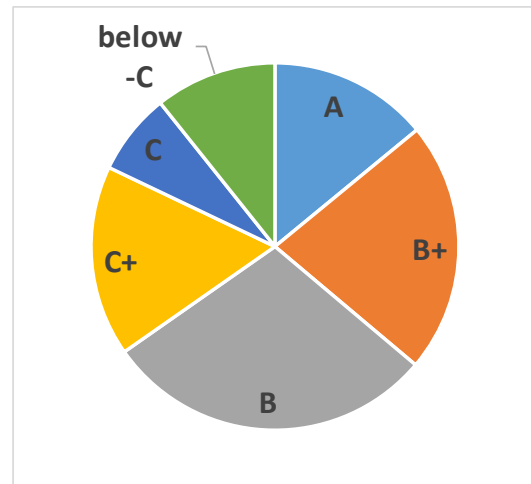
10% of BAs go to below B+ students

Associate's Degrees



30% of AAs go to below B+ students

Certificates



64% of certificates go to below B+ students

Proposal: Motivate high schools to prepare low-performing students for college and careers

Modify state accountability systems by:

- Measuring college and career outcomes
- Assessing the probability of students reaching a range of education outcomes, not just obtaining high school diplomas
- Creating realistic peer-group growth-standards by basing comparisons on the best performance among high schools whose entering students have similar attributes
- Labeling high schools as needing improvement only if they perform far below their peer group

Benefits: Improving college and career outcomes by creating incentives for teachers to:

- Provide students with information about viable pathways to high-paying jobs
- Increase students' **engagement** and **aspirations**
- Offset the negative effects of teaching to tests not aligned with students' post-high school goals



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Proposal: Motivate low-performing students to improve college and career outcomes

- Introduce planning-for-the-future units to ensure students have the **information** needed to **create viable plans**
- Provide assessments of likely post high school outcomes and offer college success courses to develop **realistic expectations** and **college-readiness**
- Supply mentors to help students build **confidence** and **positive self-images** by partnering with outside organizations



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