

110TH CONGRESS  
1ST SESSION

# H. R. 2955

To improve calculation, reporting, and accountability for graduation rates.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 10, 2007

Mr. SCOTT of Virginia (for himself, Mr. HINOJOSA, Mr. DAVIS of Illinois, Mr. THOMPSON of Mississippi, Ms. CORRINE BROWN of Florida, Mr. CUMMINGS, Mr. FATAH, Mr. JEFFERSON, Mr. GRIJALVA, Ms. LINDA T. SÁNCHEZ of California, Ms. LEE, Ms. CARSON, Mr. AL GREEN of Texas, Ms. LORETTA SANCHEZ of California, Mr. TOWNS, Mr. ELLISON, Mr. HARE, and Ms. KILPATRICK) introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To improve calculation, reporting, and accountability for graduation rates.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Every Student Counts  
5       Act”.

6       **SEC. 2. PURPOSES.**

7       The purposes of this Act are—

1           (1) to require consistent calculations of gradua-  
2           tion rates across schools, districts, and States;

3           (2) to leverage accurate reporting of graduation  
4           rates;

5           (3) to provide educators with critical informa-  
6           tion about students' progress toward graduation;  
7           and

8           (4) to ensure meaningful accountability for the  
9           improvement of graduation rates for all students,  
10          particularly those of poor and minority students.

11 **SEC. 3. FINDINGS.**

12          The Congress finds the following:

13           (1) To retain its competitive edge in the world  
14           economy, it is essential that America's youth be pre-  
15           pared for the jobs of today and for the jobs of the  
16           future. Such jobs increasingly require a postsec-  
17           ondary education—an estimated 85 percent of cur-  
18           rent jobs and almost 90 percent of the fastest grow-  
19           ing and best paying jobs require some postsecondary  
20           education.

21           (2) Individuals without a high school diploma  
22           experience higher rates of unemployment, incarcer-  
23           ation, living in poverty, and receiving public assist-  
24           ance than individuals with at least a high school di-  
25           ploma.

1           (3) Approximately one-third of all high school  
2 students in the United States fail to graduate with  
3 their peers—about 1,230,000 every year.

4           (4) The graduation rates for historically dis-  
5 advantaged minority groups are far lower than that  
6 of their white peers; little more than half of all Afri-  
7 can-American and Hispanic students will finish high  
8 school on time with a regular high school diploma  
9 compared to over three-quarters of white students.

10          (5) About 2,000 of the more than 20,000 high  
11 schools in the United States produce nearly half of  
12 the Nation’s dropouts. In these schools, the number  
13 of seniors is routinely 60 percent or less than the  
14 number of freshmen 4 years earlier. While almost  
15 half of the Nation’s African-American students and  
16 nearly 40 percent of Latino students attend these  
17 “dropout factories,” only 11 percent of white stu-  
18 dents do.

19          (6) The graduation rate calculations currently  
20 used by most States for both reporting and account-  
21 ability are inconsistent and misleading. Not only  
22 does this obscure the graduation rate crisis, particu-  
23 larly for poor and minority students, but it also  
24 makes it impossible to compare graduation rates  
25 across schools, districts, and States.

1           (7) The average gap between State-reported  
2           and independently reported graduation rates is ap-  
3           proximately 11 percent, and in some States that dif-  
4           ference rises to over 25 percent.

5           (8) In 2005, all 50 of the Nation’s Governors  
6           signed the National Governors Association’s Gradua-  
7           tion Rate Compact, pledging to use a common, accu-  
8           rate graduation rate. However, since only a few  
9           States currently use the Compact rate for account-  
10          ability purposes and some States have backed off  
11          this goal, it is necessary to operationalize common  
12          calculations and accountability for graduation rates.

13          (9) The most accurate graduation rate calcula-  
14          tions are reliant on high-quality longitudinal data  
15          systems that track individual student data from the  
16          time a student enters the educational system until  
17          he or she leaves it. Currently only 16 States have  
18          the 4 elements of a statewide longitudinal data sys-  
19          tem that are necessary to calculate the National  
20          Governors Association Compact rate at the school  
21          level.

22          (10) An accountability system with meaningful  
23          graduation rate goals holds schools, districts, and  
24          States responsible for both student achievement and  
25          outcomes and ensures that low-performing students

1 are not unnecessarily held back or pushed out (en-  
2 couraged to leave school without a diploma).

3 (11) As implemented, the No Child Left Behind  
4 Act of 2001 does not require consistent calculations,  
5 meaningful goals, or disaggregation of graduation  
6 rates. This means that most high schools can make  
7 adequate yearly progress despite a consistent, or  
8 even a growing, graduation gap or by making as lit-  
9 tle as 0.1 percent improvement or less in graduation  
10 rates each year.

11 **SEC. 4. DEFINITIONS.**

12 For purposes of this Act:

13 (1) GRADUATION RATE.—The term “graduation  
14 rate” means the ratio of the number of graduates  
15 with a regular high school diploma to the number of  
16 students in the adjusted cohort as calculated using  
17 the adjusted cohort rate formulas.

18 (2) FOUR-YEAR ADJUSTED COHORT GRADUA-  
19 TION RATE FORMULA.—The term “four-year ad-  
20 justed cohort graduation rate formula” means the  
21 number of students who graduate in four years or  
22 less with a regular high school diploma (which does  
23 not include a GED or other certificate of completion  
24 or alternative to a diploma except as provided in  
25 paragraph (7)(B)), divided by the number of stu-

1       dents who formed the adjusted cohort for that grad-  
2       uating class.

3               (3) FIVE-YEAR ADJUSTED COHORT GRADUA-  
4       TION RATE FORMULA.—The term “five-year ad-  
5       justed cohort graduation rate formula” means the  
6       number of students who graduate in five years or  
7       less with a regular high school diploma (which does  
8       not include a GED or other certificate of completion  
9       or alternative to a diploma except as provided in  
10      paragraph (7)(B)), divided by the number of stu-  
11      dents who formed the adjusted cohort for that grad-  
12      uating class five years earlier.

13              (4) ADJUSTED COHORT.—

14              (A) IN GENERAL.—Subject to the other  
15      subparagraphs of this paragraph, the term “ad-  
16      justed cohort” means the students who entered  
17      grade 9 together, and any students that trans-  
18      ferred into the cohort in grade 9 through 12  
19      minus any students removed from the cohort.

20              (B) TRANSFERS IN.—The term “transfers  
21      in” means the students who enroll after the be-  
22      ginning of the entering cohort’s first year in  
23      high school, up to and including in grade 12.

24              (C) COHORT REMOVAL.—To remove stu-  
25      dents from the cohort, the school or local edu-

1           cational agency must confirm that the student  
2           has either transferred out or is deceased.

3           (D) TRANSFERS OUT.—The term “trans-  
4           fers out” means the students the school or local  
5           educational agency has confirmed have trans-  
6           ferred to another school, local educational agen-  
7           cy, or other educational program for which they  
8           are expected to receive a regular high school di-  
9           ploma. Confirmation of a student’s transfer to  
10          another school, local educational agency, or pro-  
11          gram requires formal documentation that the  
12          student enrolled in the receiving school. Stu-  
13          dents enrolled in a GED or other alternative  
14          educational program that does not issue or pro-  
15          vide credits toward the issuance of a regular  
16          high school diploma are not considered trans-  
17          fers out. Students who were enrolled, but for  
18          whom there is no confirmation of transfer or  
19          completion, may not be labeled transfers or er-  
20          rors, but must remain in the cohort as non-  
21          graduates for reporting and accountability pur-  
22          poses.

23          (E) TREATMENT OF OTHER LEAVERS AND  
24          WITHDRAWALS.—Students who were retained in  
25          grade, enrolled in a GED program, or left

1 school for any other reason may not be counted  
2 as transfers out for the purpose of calculating  
3 graduation rates and must remain in the ad-  
4 justed cohort.

5 (F) SPECIAL RULE.—For those high  
6 schools that start after ninth grade, the cohort  
7 shall be calculated based on the earliest high  
8 school grade.

9 (5) FOUR-YEAR GRADUATES.—The term “four-  
10 year graduates” means those students who earned a  
11 regular high school diploma at the conclusion of  
12 their fourth year, before their fourth year, or during  
13 a summer session immediately following their fourth  
14 year.

15 (6) FIVE-YEAR GRADUATES.—The term “five-  
16 year graduates” means those students who earned a  
17 regular high school diploma at the conclusion of  
18 their fifth year, before their fifth year, or during a  
19 summer session immediately following their fifth  
20 year.

21 (7) REGULAR HIGH SCHOOL DIPLOMA.—

22 (A) IN GENERAL.—The term “regular high  
23 school diploma” means the standard high school  
24 diploma awarded to the preponderance of stu-  
25 dents in the State that is fully aligned with



1 State standards, or a higher diploma, and does  
2 not include GEDs, certificates of attendance, or  
3 any lesser diploma award.

4 (B) SPECIAL RULE.—For those students  
5 who have significant cognitive disabilities and  
6 are assessed using an alternate assessment  
7 aligned to alternate achievement standards, re-  
8 ceipt of a regular high school diploma or State-  
9 defined alternate diploma aligned with comple-  
10 tion of their entitlement under the Individuals  
11 with Disabilities Education Act shall be counted  
12 as graduates with a regular high school diploma  
13 for the purposes of this Act. No more than one  
14 percent of students can be counted as graduates  
15 with a regular high school diploma under this  
16 subparagraph.

17 (8) ALTERNATIVE EDUCATIONAL SETTING.—  
18 The term “alternative educational setting” means—

19 (A) a secondary school or secondary edu-  
20 cational program that is designed for students  
21 who are under-credited or have dropped out of  
22 high school and that awards a regular high  
23 school diploma; or

24 (B) a secondary school or secondary edu-  
25 cational program designed to issue a regular

1 high school diploma concurrently with either a  
2 postsecondary degree or up to two years of col-  
3 lege credit.

4 (9) UNDER-CREDITED.—The term “under-cred-  
5 ited” means the student is a year or more behind  
6 the expected accumulation of credits or courses to-  
7 wards an on-time graduation as determined by the  
8 relevant local and State educational agency’s high  
9 school graduation requirements for an on-time grad-  
10 uation.

11 (10) ON-TRACK STUDENT.—The term “on-track  
12 student” means a student that—

13 (A) has accumulated the number of credits  
14 necessary to promote to the next grade, in ac-  
15 cordance with State and district policies; and

16 (B) has failed no more than one semester  
17 in English or language arts, mathematics,  
18 science, or social studies.

19 **SEC. 5. CALCULATING AND REPORTING ACCURATE GRAD-**  
20 **UATION RATES.**

21 (a) CALCULATING GRADUATION RATES.—Upon the  
22 enactment of this Act, and every year thereafter, for all  
23 graduation rate requirements under the Elementary and  
24 Secondary Education Act of 1965, every State educational  
25 agency, local educational agency, and school, using a

1 Statewide longitudinal data system with individual student  
2 identifiers, must implement—

3           (1) the four-year adjusted cohort graduation  
4           rate formula; and

5           (2) the five-year adjusted cohort graduation  
6           rate formula.

7           (b) DISAGGREGATION.—The graduation rate shall be  
8           calculated at the school, local educational agency, and  
9           State levels in the aggregate and disaggregated by race,  
10           ethnicity, gender, disability status, migrant status,  
11           English proficiency, and status as economically disadvan-  
12           taged, except that such disaggregation shall not be re-  
13           quired in a case in which the number of students in a  
14           category is insufficient to yield statistically reliable infor-  
15           mation or the results would reveal personally identifiable  
16           information about an individual student.

17           (c) REPORTING GRADUATION RATES.—Upon the en-  
18           actment of this Act, and every year thereafter, every State  
19           educational agency, local educational agency, and school  
20           must report annually, as part of the State, local edu-  
21           cational agency, and school report cards required by sec-  
22           tion 1111(h) of the Elementary and Secondary Education  
23           Act of 1965, each of the following:

1           (1) The four-year adjusted cohort graduation  
2 rate, in the aggregate and disaggregated by each of  
3 the subgroups described in subsection (b).

4           (2) The five-year adjusted cohort graduation  
5 rate, in the aggregate and disaggregated by each of  
6 the subgroups described in subsection (b).

7           (3) The number of students who have been re-  
8 moved from the cohort as described in section 4(4),  
9 in the aggregate and disaggregated by each of the  
10 subgroups described in subsection (b).

11           (4) The percentage of continuing students who  
12 have not graduated but are still in school.

13           (d) USE OF INTERIM GRADUATION RATE.—States  
14 that do not have an individual student identifier longitu-  
15 dinal data system shall be required to temporarily use an  
16 interim graduation rate calculation that meets the fol-  
17 lowing conditions:

18           (1) The calculation must measure or estimate  
19 the number of graduates compared to the number of  
20 students in the high school's entering grade.

21           (2) The calculation must not use dropout data.

22           (3) The calculation must count as graduates  
23 only those students who receive a regular high school  
24 diploma as described in section 4(7).

1           (4) The calculation can be disaggregated by the  
2           subgroups described in subsection (b).

3           (5) The calculation can be used on an annual  
4           basis to determine a rate of growth, as described in  
5           section 6.

6           (6) The interim graduation rate calculation may  
7           only be used until 2012. No later than 2012, States  
8           must implement the graduation rates described in  
9           subsection (a).

10          (e) REPORTING USE OF INTERIM GRADUATION  
11 RATE.—The State must describe the interim graduation  
12 rate in use in accordance with subsection (d) in its State  
13 accountability plan, for review and approval by the Sec-  
14 retary.

15          (f) REPORTING PERCENT OF ON-TRACK STU-  
16 DENTS.—Upon enactment, and every year thereafter,  
17 every State educational agency, local educational agency,  
18 and school must report annually, as part of the State, local  
19 educational agency, and school report cards required by  
20 section 1111(h) of the Elementary and Secondary Edu-  
21 cation Act of 1965, the percent of on-track students (as  
22 defined in section 4(10)) from each grade, except the grad-  
23 uating grade, in the aggregate and disaggregated by each  
24 of the subgroups described in subsection (b).

25          (g) REPORTING ADDITIONAL INDICATORS.—

1           (1) States may report additional complementary  
2 indicators of high school completion, such as—

3                   (A) extended year graduation rates;

4                   (B) a college-ready graduation rate;

5                   (C) a dropout rate;

6                   (D) in-grade retention rates;

7                   (E) percentages of students receiving  
8 GEDs, certificates of completion, or alternatives  
9 to a diploma; and

10                  (F) in States with exit exams, students  
11 who have completed course requirements but  
12 failed a State exam required for graduation.

13           (2) The Secretary shall develop definitions for  
14 these indicators, consistent with the National Center  
15 for Educational Statistics, and provide those defini-  
16 tions in regulations, to ensure that those measures  
17 are comparable across schools and districts within  
18 the State.

19           (3) For purposes of reporting or accountability,  
20 these additional indicators may not replace the ad-  
21 justed cohort graduation rate.

22           (4) Nothing in this Act should be construed as  
23 limiting States in the reporting of other indicators.

24           (h) DATA ANOMALIES.—

1           (1) When an individual student record indicates  
2 a student was enrolled in more than one educational  
3 agency or a student record shows enrollment but no  
4 subsequent information, such student records shall  
5 be assigned to one entering graduation rate cohort  
6 for the purposes of calculating and reporting school,  
7 local educational agency, and State graduation rates.

8           (2) A student that stays in school beyond five  
9 years, returns to school after dropping out, or re-  
10 ceives a diploma from more than one school in a  
11 given local educational agency shall be counted only  
12 once for reporting and accountability, as part of  
13 their original cohort.

14           (i) MONITORING OF DATA COLLECTION.—Each  
15 State shall conduct regular audits of data collection, re-  
16 porting, and calculations by local educational agencies.  
17 The Department of Education shall assist States in their  
18 efforts to develop and retain capacity for collection, anal-  
19 ysis, and public reporting of high school graduation rate  
20 data.

21 **SEC. 6. SCHOOL, LOCAL EDUCATIONAL AGENCY, AND**  
22 **STATE ACCOUNTABILITY.**

23           (a) GRADUATION RATE GOAL.—Each State shall  
24 seek to have all students graduate from high school pre-  
25 pared for success in college and work.

1 (b) GRADUATION RATE CALCULATION.—Each State  
2 shall use the aggregate and disaggregated four-year ad-  
3 justed cohort graduation rate and five-year adjusted co-  
4 hort graduation rate as the additional high school indi-  
5 cator for the purposes of determining each high school’s  
6 and local educational agency’s adequate yearly progress  
7 status as described in section 1111(b)(2)(C)(vi) of the Ele-  
8 mentary and Secondary Education Act of 1965.

9 (c) ANNUAL MEASURABLE OBJECTIVES.—Schools  
10 and local educational agencies with four-year adjusted co-  
11 hort graduation rates and five-year adjusted cohort grad-  
12 uation rates below 90 percent overall or for any subgroup  
13 shall be required to increase graduation rates, overall and  
14 for any subgroup of economically disadvantaged students;  
15 students from major racial and ethnic groups; students  
16 with disabilities; migrant students; or students with lim-  
17 ited English proficiency; in order to make adequate yearly  
18 progress, as follows:

19 (1) BASELINE FOR GRADUATION RATES.—Sub-  
20 ject to paragraph (2), the four-year and five-year  
21 graduation rates calculated and reported in accord-  
22 ance with this Act for the first year after the enact-  
23 ment of this Act shall serve as the baseline rates.  
24 Annually thereafter, graduation rates calculated at  
25 the school, local educational agency and State levels



1 in the aggregate and disaggregate shall be evaluated  
2 for annual growth in accordance with this Act.

3 (2) BASELINE ADJUSTMENT.—Once a State has  
4 implemented an individual student identifier longitu-  
5 dinal data system and can calculate the adjusted-co-  
6 hort graduation rate described in paragraphs (2)  
7 and (3) of section 4, but no later than 2012, such  
8 State shall use this rate as the new baseline gradua-  
9 tion rate for reporting and accountability purposes.

10 (3) ANNUAL GROWTH.—

11 (A) For a State, local educational agency,  
12 or school to make adequate yearly progress, it  
13 must demonstrate increases in the graduation  
14 rate from the baseline rate, in the aggregate  
15 and for each subgroup described in this sub-  
16 section, as follows:

17 (i) For the four-year adjusted cohort  
18 rate, an average of 2.5 percentage points  
19 per year since the baseline was established.

20 (ii) For the five-year adjusted cohort  
21 rate, an average of 3 percentage points per  
22 year since the baseline was established.

23 (B) A school may not make adequate year-  
24 ly progress using the five-year adjusted cohort  
25 rate if—

1 (i) its four-year adjusted cohort rate,  
2 overall or for any subgroup described in  
3 this subsection, falls below the cohort's ini-  
4 tial baseline or shows no improvement over  
5 a four-year period; or

6 (ii) fewer than 75 percent of the stu-  
7 dents included as five-year graduates, over-  
8 all or for any subgroup described in this  
9 subsection, are four-year graduates.

10 (d) WAIVERS.—

11 (1) IN GENERAL.—Local educational agencies  
12 may apply to the State educational agency, on behalf  
13 of schools or programs described as an alternative  
14 education setting under section 4(8) for a waiver re-  
15 lated to an alternative expected completion time.

16 (2) APPLICATION.—For each alternative edu-  
17 cation setting the application for the waiver shall in-  
18 clude—

19 (A) description of the educational program;  
20 and

21 (B) a proposed alternative expected com-  
22 pletion time for the preponderance of the stu-  
23 dents in the program to be used for calculating  
24 an adjusted-cohort graduation rate.

1           (3) ANNUAL GROWTH.—To make adequate  
2       yearly progress, each program or school receiving a  
3       waiver under paragraph (1) must increase its ap-  
4       proved alternative graduation calculation an average  
5       of 2.5 percentage points per year since the baseline  
6       was established.

7 **SEC. 7. REPORTING REQUIREMENT.**

8       Within 90 days after the date of the enactment of  
9       this Act, and annually thereafter, each State educational  
10      agency shall submit, and make publicly available a report  
11      to the Secretary on the implementation of this Act, includ-  
12      ing—

13           (1) a description of every category, code, and  
14      the corresponding definitions that the State has au-  
15      thorized for identifying, tracking, calculating, and  
16      publicly reporting student status; and

17           (2) if using an interim graduation rate pursu-  
18      ant to section 5(d), a description of efforts to imple-  
19      ment the four-year and five-year adjusted cohort  
20      rates and expected date of implementation, no later  
21      than 2012.

○