



Moving the Needle on Degree Completion: The Legislative Role

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February 2013

Fine Tuning the Recipe

Moving the needle on college completion without knowing the critical policy elements is a little like cooking with your eyes blindfolded: you know what you want to cook but you are not sure if you are putting in the right ingredients and in the right proportions.

The college completion agenda has hinted at key recipe ingredients, helping to remove the blindfold by equipping legislators with the research and data necessary to initiate effective reform. The agenda can build momentum, but the completion movement is unsustainable without a roadmap that state leaders can use to achieve their goals.

Even with the “cooks” finally seeing which ingredients are needed to increase degree attainment and strengthen workforce alignment, not all the cooks are operating in the same kitchen. Postsecondary system and institutional innovators often are disconnected from the policy entrepreneurs in state legislatures.

This product, brought to you by Education Commission of the States’ (ECS) Boosting College Completion project through generous support from the Bill and Melinda Gates Foundation, attempts to bridge this gap, exploring the key elements of state completion policies, highlighting recent policies with the potential to improve degree completion, and presenting several action-oriented policymaking models that could propel reform.



Education Commission
of the **S t a t e s**



CRITICAL POLICY ELEMENTS

Student Supports

Provide students and families with clear and transparent assurances

When state policy ensures that all associate degree credits transfer to a similar baccalaureate degree, students are more likely to seek and complete a higher credential. Also, working adults might choose to return to college if they knew that institutions would consider work experience and prior college credit when admitting them. These policies motivate students because they are clear and unambiguous. The absence of these assurances might serve as barriers to effective student decisionmaking.

| Bill/Year | Clear and Transparent Assurance Given | Intended Outcome | Policy Elements |
|--------------------------------------|--|--|---|
| Illinois Senate Bill 3699 (2010) | Receive financial aid for pursuing bachelor's degree in certain career field | Give financial aid to needy students who have completed an associate degree in arts or science and transfer to a four-year institution | Students receive \$1,000/year and can receive \$1,000 more if they pursue in-demand careers |
| Texas House Bill 3025 (2011) | Graduate on time | Increase the efficiency of student course-taking Provide greater guarantee of on-time graduation | Requires students in a program of study to file a degree plan |
| West Virginia Senate Bill 538 (2011) | Earn money and receive career-related experience while attending college | Provide full-time, two-year college students with an income source while they pursue their program of study | Requires a dollar-for-dollar cash match from participating employers from which the student receives a salary |

Develop policies that provide students with flexible options and supports

The most effective reform strategies give students substantial support to pursue their programs of study. States can empower postsecondary systems and institutions to implement these supports. Also, state frameworks can ensure that institutions adopt innovative instructional and student service models to meet completion targets.

| Bill/Year | Replicable Framework Created | Intended Outcome | Policy Elements |
|--|---|---|---|
| Florida House Bill 5201 (2012) | Programming for adult "near-completers" | Assist adults with a significant amount of postsecondary credit in completing a degree that is aligned to high-wage, high-skill workforce needs | Requires use of competency-based tools to assess prior experience to reduce time-to-degree for adult near-completers |
| Oklahoma Senate Bill 1056 (2012) | Integrated college and career pathways | Increase the number of high school students taking career-related exams | The state pays the testing costs for students pursuing industry certification or licensure |
| Texas House Bill 3468 and Senate Bill 162 (2011) | State developmental education framework | Deliver developmental coursework in innovative ways, through modules, competency-based tools, and integrated, technological supports | Institutional plans must include provisions related to diagnostic assessments, modular course materials, exit exams, and a system of continuous improvement |

Incentives

Leverage existing financial incentives and, if necessary, create new ones

State legislatures can change student and institutional behavior by providing financial incentives. Policymakers in at least 15 states have considered, adopted, or implemented performance funding since 2011. Funding levers like this could induce colleges to find more effective ways to deliver instruction and student supports.

State lawmakers also have tinkered with competitive grants because they want greater assurance that promising strategies are actually effective before full funding and scaling. In addition, several states are considering changes to financial aid to entice students to enter high-demand careers and are rethinking incentives to make employers a more equal partner in skills delivery.

| Bill/Year | Financial Lever Used | Intended Outcome | Policy Elements |
|----------------------------------|--|---|---|
| Arkansas Senate Bill 766 (2011) | State funding based on institutional performance | Improve student progress metrics | Metrics include: a) Degree completion b) Student retention c) Increasing completion rates for the underserved d) Meeting local workforce needs |
| Iowa House File 645 (2012) | Competitive Grant Making | Streamline academic programs to enable adults to acquire gainful employment | Grantee institutions must prove that students: a) Master basic skills and technical competencies b) Acquire employer-validated credentials c) Qualify for employment in a high-need area (e.g., health care, adv. manufacturing, IT) |
| Louisiana House Bill 1171 (2010) | Authority to Set Tuition | Allows postsecondary institutions to set tuition if they exceed performance targets | Performance goals set by the legislature and Board of Regents in alignment with the higher education strategic plan |

Support institutions in meeting local, state, and regional workforce demands

Increased degree and certificate completion is necessary for most states to spur economic growth, but it is hardly sufficient. Producing college credentials in low-need, low-wage areas, for example, does not fundamentally change the growth equation. However, state legislatures do have levers they can pull to effect greater workforce alignment.

| Bill/Year | Ways to Support Greater Workforce Alignment | Intended Outcome | Policy Elements |
|---------------------------------|--|---|---|
| Kansas Senate Bill 143 (2011) | Increase state subsidy for high-demand courses and programs | Reward institutions that expand programs in high-demand fields | Creates a credit-hour funding formula where programs tied to critical industry needs receive a higher state appropriation |
| Nevada Senate Bill 449 (2011) | Entice students to enroll in high-demand programs of study | Incent enrollment in certain high-demand programs by lowering tuition for such programs | Eligible, participating students receive financial aid and a lower tuition rate |
| Virginia House Bill 2510 (2011) | Provide funding and technical assistance so institutions are more productive | Improve degree productivity and workforce alignment | An advisory committee has chosen 10 economic development and innovation metrics to evaluate institutions' progress on state goals |

Strategic Investments

Make allowances for the unique challenges of underserved and underprepared students

Even if institutions graduated all college-prepared students, doing so would not guarantee that states would meet their workforce demands. Producing more college credentials among underrepresented or underprepared populations is crucial if states want to achieve their economic goals.

Many of these students face unique challenges and do not always react to incentives in the same way as their college-ready peers. While state policy should engage all dimensions of the postsecondary-workforce spectrum—student populations, postsecondary institutions, and employers—it is important to make allowances for unique challenges. These policies are most effective when they create pathways to college for at-risk students and low-income adults.

| Bill/Year | Unique Challenge Addressed | Intended Outcome | Policy Elements |
|---------------------------------------|---|---|--|
| Mississippi Senate Bill 2792 (2012) | Provide at-risk students with dual high school-postsecondary options | Increase high school completion rates and college/career readiness of at-risk students | Creates pilot for at-risk students to pursue a high school diploma and/or work-ready certificate while enrolled in community college |
| Nebraska Legislative Bill 1079 (2012) | Enhance programs for low-income adults to enter degree and certificate programs | Fill skills gaps for low-income adults so that they are qualified to work in high-demand industries | Creates bridge programming for working adults who want to add academic and technical skills required by local labor markets |
| North Carolina Senate Bill 166 (2011) | Provide greater program and course flexibility for full-time, working adults | Increase college access and degree completion rates while providing flexible course options | Develops model evening, weekend certificate and degree programs geared toward working adults |

Remove hurdles to improved student success and decisionmaking

Effective policy creates bridges to college and careers. Policy can do this by requiring the removal of structural or programmatic barriers. For instance, states can remove barriers to college enrollment by creating transition strategies for students who might not think college is for them.

Statewide policies that increase enrollment and encourage student persistence should ultimately lead to higher degree completion rates. These policies also should consider various populations, including recent high school graduates, at-risk students, and working adults without a postsecondary credential.

| Bill/Year | Barriers Removed | Intended Outcome | Policy Elements |
|-----------------------------------|---|--|--|
| Connecticut Senate Bill 40 (2012) | Remove remedial education stigmas and hurdles | Allow all students open access to entry-level courses in a college level program | Postsecondary institutions must offer: <ol style="list-style-type: none"> 1. Embedded support for students who are likely to succeed in college-level courses 2. Intensive college readiness programs before the academic year for students who need an accelerated refresher |
| Hawai'i House Bill 2639 (2012) | Decrease time in college | Award postsecondary credit for military service | Requires University of Hawai'i to create assessments to determine college-level learning gained during military service |
| Utah Senate Bill 290 (2012) | Narrow information gap | Improve student decisions related to choice of career and program of study | The grant program will: <ol style="list-style-type: none"> 1. Increase accessibility to information about college and career opportunities 2. Help postsecondary institutions target students interested in high-demand careers 3. Facilitate relationships between workers and potential employers |

The Evolving Role of Legislators

A scan of legislative policies enacted since 2010 shows an evolution in how states approach college completion and workforce challenges. Gone are the days where the majority of legislatures acted on intuition rather than data. Also gone are the days when policymakers felt that tweaks in the structure and funding of higher education were sufficient to bring about significant changes in degree completion rates.

The way that legislators view their role also has evolved. The committee chairs that ECS engaged have broadened their scope to introduce systemic reform. Below, we describe four characteristics of the 21st century education policymaker:

- **Champions of Innovation:** *Policymakers who evaluate challenges, assess “fit” of potential models to mitigate problems, and replicate these approaches statewide.* These champions work with system and institutional administrators to produce models with a “proof of concept,” so that funds are appropriated in ways that contribute to increased degree and certificate completion.
- **Coordinators:** *Legislators who use levers—financial and structural—to make comprehensive state policy.* Providing clear and transparent assurances to students, institutions, and employers will improve the odds that people and organizations behave in ways that make economic growth more probable.
- **Problem Solvers:** *Legislators who explore the root cause of a problem, not just treating the symptoms.* More than ever, legislators are thinking systemically to create a framework and set of goals to address the core problem.
- **Risk Managers:** *State policymakers who insulate investments in postsecondary education from risk by using nonfinancial levers.* The foremost levers are legislative authority in three areas: evaluation and oversight; adoption of technical program changes; and, most importantly, the power to discontinue ineffective programs and strategies.

The Path Forward

Four considerations are key to sustaining the college completion agenda.

- **Legislators are referees of effective policy and practice.** State policymakers are deluged by myriad innovative approaches—at the same time they are grappling with how to spend constrained resources. They will have to shepherd through dramatic reforms quickly, not waiting for the optimal policy or strategy to surface.
- **Workforce alignment does not happen in a vacuum.** The misalignment between credential productivity and workforce needs has real and negative implications on states’ ability to compete in a global economy. To improve alignment, the private sector should have a more substantive role in informing policy directions.
- **Policy development and implementation are necessary but not sufficient; evaluation is critical to improving college completion rates.** Institutions now have the capacity to measure students’ progress in courses and programs through real time data analytics delivered via online- and technological-based platforms. These data should bring institutional review and programmatic improvement into the 21st century.
- **Policy changes must treat the root problem.** Modifying higher education structures, mechanisms, or leadership can be a key component of needed reform, but it should never be the only element. State legislatures need to make tough decisions that affect people and institutions, so policies that do not engage these challenges of systemic reform are a diversion from reaching completion and workforce goals.

How Four States Implemented Completion Strategies

ECS' Boosting College Completion Project has identified four stories in which consensus building, agenda setting, and evaluation of existing policy strengthened the alignment between state goals and strategies.

Leading toward Consensus: Missouri and Virginia

Unilateral approaches often lead to impulsive policymaking and haphazard implementation. **Missouri** and **Virginia** have avoided this pitfall by choosing a collaborative and deliberative model, where they consulted the data, the research evidence, and out-of-state experts to craft a clear and sustainable strategy for advancing state education and workforce goals.

Missouri legislators reviewed the student remediation data and they acted to remedy ineffective practices. Working with the Missouri Coordinating Board for Higher Education, legislators drafted **House Bill 1042**. The bill was an authoritative statement, clarifying state goals and offering ways to achieve these objectives. Missouri policymakers built consensus for change to deal with a systemic challenge: high remediation rates.

Almost immediately after being elected, Virginia Governor Bob McDonnell pushed the reset button on higher education and workforce development. He invited multiple stakeholders and constituencies to offer their solution for the problems

ailing the state. The recommendations led to the drafting of the **Virginia Higher Education Opportunity Act**. The bill directed the Higher Education Advisory Committee to develop state- and institution-specific economic opportunity metrics to measure progress toward the state goal of producing 100,000 additional undergraduate degrees by 2025.

Two Up and Coming States: Mississippi and West Virginia

State legislatures in **Mississippi** and **West Virginia** recognized the changing economic tides and reformed postsecondary education to grapple with college completion challenges.

In Mississippi, the creation of an **Education Achievement Council** has led to proposals to change instructional delivery methods, alter how the state rewards its institutions for meeting or exceeding benchmarks, and pilot innovative approaches.

West Virginia has gone in a different direction, developing initiatives to improve adult completion rates. Through a new program pilot, adults can earn college credit and gain work experience, all while earning a weekly wage. Two degree completion initiatives created in 2012 are targeted toward adults, at-risk students, and nonwhite students. The legislature's willingness to adopt promising approaches could lead to eventual improvements in completion rates.

