



## Report Offers Strategies for Dropout Prevention and Recovery

A new report from the NGA Center for Best Practices (NGA Center) addresses the alarming



rate at which U.S. students drop out of high school. [Achieving Graduation for All: A Governor's Guide to Dropout Prevention and Recovery](#) identifies the causes of the high school dropout problem and offers a comprehensive plan for states to curb dropouts, help youth succeed and strengthen state economies. Research shows that one in five students drop out of high school, and dropouts cost the nation more than \$300 billion each year in lost wages and increased public sector expenses. The report recommends several actions governors can take to reduce the number of dropouts, including promoting high school graduation for all; targeting youth at-risk of dropping out; reengaging those who have dropped out of school; and providing rigorous, relevant options for earning a high school diploma. The *Achieving Graduation for All* report will be put into practice through the NGA Center's *State Strategies to Achieve Graduation for All* initiative. The yearlong initiative will provide grants and technical assistance to teams in selected states to develop state policies and practices that lead to an increase in high school graduates. For more information about the NGA Center's education efforts, go to [www.nga.org/center/edu](http://www.nga.org/center/edu).

## Slow Economic Recovery Forecast for States



Although the national recession has ended, states face continued economic difficulties, according to the latest *Fiscal Survey of States* from NGA and the National Association of State Budget Officers. The two organizations announced [preliminary findings](#) from the biannual survey on November 12. The data show

that the severe national recession drastically reduced tax revenues from every revenue source during fiscal year (FY) 2009 and revenue collections are forecasted to continue declining in fiscal 2010. Because state revenue collections historically lag any national economic recovery, state revenues will remain depressed throughout fiscal 2010 and likely into FYs 2011 and 2012. Overall, states faced \$250 billion in budget gaps between FY 2009 and FY 2011. Despite closing \$72.7 billion in gaps during fiscal 2009 and \$113.1 billion before the enactment of their fiscal 2010 budgets, an additional \$14.5 billion in budget gaps remain in fiscal 2010, and states face at least \$21.9 billion in budget gaps for fiscal 2011. To help close these gaps, 42 states cut their enacted fiscal 2009 budgets by \$31.2 billion, and 33 states cut their fiscal 2010 expenditures by \$53.5 billion. Additionally, states enacted tax and fee increases of \$23.8 billion along with additional increases in other revenue measures of \$7.7 billion for fiscal 2010.

Multimedia

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Dear Friend:

Preliminary numbers for the latest *Fiscal Survey of States* are out, and the outlook for states continues to be dim. Although the national recession—one of the deepest and longest since the Great Depression—likely ended in August or September of this year, state economic recovery has historically lagged national recovery by about two years.

However, an NGA analysis of the preliminary data, [The State Fiscal Situation: The Lost Decade](#), indicates that full recovery for states may take even longer because of the length and depth of this economic downturn and the projected slow recovery. Even after recovery, states will continue to struggle because they must replenish retiree pension and health care trust funds; finance maintenance, technology and infrastructure investments deferred during the downturn; and rebuild rainy day funds. With revenue shortfalls expected to persist into 2014 and an "over-hang" in unmet needs, it will likely be a decade before states fully emerge from the recession.

Despite these difficulties, states continue to seek opportunities to innovate in areas that move states and our nation forward. I invite you to see for yourself the wide range of exciting initiatives and resources NGA and our Center for Best Practices are working on with states by visiting our Web site, [www.nga.org](http://www.nga.org).

Sincerely,

Raymond C. Scheppach  
Executive Director

*Federal Focus:*



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NGA in the News:

- [States Face More Cutbacks and Tax Hikes](#)
- [Educators Focus on Dropout Prevention](#)
- [Medicaid, S-CHIP Expansion Plan Could Hurt States' Budgets](#)
- [Financial Reform Could Make US States Powerless—Govs](#)
- [Race for Common Core Standards Begins](#)

News Releases:

- [NGA, NASBO Say States Will Continue to Face Fiscal Difficulties in Coming Years](#)
- [Common Core State Standards K-12 Work and Feedback Groups Announced](#)
- [New NGA Center Issue Brief Provides Formula for Enhanced Postsecondary School Performance](#)
- [NGA Center Issue Brief Highlights Expanded Learning Opportunities as Effective Part of State Dropout Prevention Strategies](#)
- [NGA Center Issue Brief Offers State Policies to Improve Quality of Teacher Professional Development](#)
- [New NGA Center Report Provides Comprehensive Approach to High School Dropout Prevention and Recovery](#)



State Innovations:

- [New Jersey Funds Community Groups to Fight Chronic Disease](#)
- [Massachusetts to Measure Students' Rate of Improvement](#)
- [South Carolina Prepares Students for Green Economy](#)
- [Florida Receives Award for Health Care Online Information](#)

Get to Know the Governor:  
**[California Governor Arnold Schwarzenegger](#)**



Arnold Schwarzenegger was sworn in as the 38th Governor of California on November 17, 2003, following a distinguished career in body building, business and entertainment.

Schwarzenegger's most notable accomplishments include a bipartisan agreement to reduce California's greenhouse gas emissions by signing landmark legislation in 2006, increasing the minimum wage while lowering the state's unemployment rate and overhauling the workers' compensation system - cutting costs by more than 35 percent. Schwarzenegger is the first governor in decades to make major investments in improving California's aging infrastructure through his Strategic Growth Plan, helping to reduce congestion and clean the air. He established the Hydrogen Highway and Million Solar Roofs Plan, continuing his leadership in creating a greener environment. Schwarzenegger has strongly promoted California grown products, cutting edge technologies and the state's diverse travel destinations. [Read More...](#)

*Founded in 1908, the National Governors Association (NGA) is the collective voice of the nation's governors and one of Washington, D.C.'s most respected public policy organizations. Its members are the governors of the 50 states, three territories and two commonwealths. NGA provides governors and their senior staff members with services that range from representing states on Capitol Hill and before the Administration on key federal issues to developing and implementing innovative solutions to public policy challenges through the NGA Center for Best Practices. For more information, visit [www.nga.org](http://www.nga.org).*

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