Thank you. Please, everybody, have a seat. Thank you.

I hope nobody stayed up too late last night, because I'm looking forward to a productive challenge and challenging conversation this morning. Joe, thank you very much for your remarks. And I want to again thank Governor Douglas and Governor Manchin for their outstanding leadership with this organization.

I want to spend most of my time exchanging ideas with you and answering questions, but let me just preface this with a few remarks. I want us to begin by remembering where we were just 1 year ago. As I mentioned last night, our economy was in a full-blown crisis, 750,000 Americans were losing their jobs each month, and millions more were hurting at the end of one of the toughest decades for the middle class on record. And just as they turned to you like never before, budget shortfalls threatened your capacity to help.

And that was just a few days before I signed the Recovery Act into law, a plan that many of you were instrumental in devising. That plan cut taxes for small businesses and for 95 percent of working Americans. It gave direct relief to those hardest hit by the recession, including workers who lost their jobs and families who lost their health care because of it. It helped most of you close some of those budget gaps that had developed, which kept 300,000 teachers and education workers in your schools and tens of thousands of first-responders on your streets. And it began rebuilding our economy on a new and stronger foundation for growth. We helped to jump-start a clean energy industry in places where there were none, as Governor Granholm can attest in Michigan. We followed the gospel of Governors Rendell and Schwarzenegger and invested in our infrastructure, creating private sector jobs rebuilding today's crumbling roads and bridges but also constructing the smart grids and the high-speed rails that are so critical to our future. And that's helping many of you prepare your States for future growth, like Governor Baldacci, who's accelerating his vision to connect broadband to every corner of Maine, or Governor Barbour, who's boosting plans to bring more commerce into Mississippi ports and out by rail to the rest of America.

Independent economists credit the Recovery Act with growing the economy and for 2 million jobs that otherwise wouldn't exist. Now, I understand that some of you still claim it's not working or wasn't worth it, but I also know that you've used it to close your budget gaps or break ground on new projects. I've seen the photos, and I've read the press releases. [Laughter] So it must be doing something right.

Overall, the economy is in a better place than it was a year ago. We were contracting by 6 percent, and we're now growing by 6 percent. But I know that your States are still in a very tough situation, and too many Americans still haven't felt the recovery in their own lives. So we're working to create jobs by all means necessary, be it by cutting taxes for small businesses that create them, to investing more in infrastructure and in energy efficiency, or giving you more help to close budget shortfalls. And I am not going to rest until we see more progress in each and every one of your States.

As Governors, I know you feel the same responsibility to see the people we serve through difficult times. And I know you share my feelings that we've also got a responsibility to think
beyond the crisis and build an economy that works for our future, to tackle some of the problems and barriers that have held us back, and to secure our rightful place as the preeminent economy in the 21st century.

And that's why we've taken up the cause of better health care that works for our people, our businesses, and our governments alike. That's why we will continue to fight for the cause of clean energy, an economy that will free ourselves from the grips of foreign oil and generate millions of good jobs and good wages in the process. That's why we've taken up the cause of guaranteeing that Americans have the knowledge and the skills and education they need in this new and changing world.

America's prosperity has always rested on how well we educate our children, but never has that been more true than it is today. And it's true for our workers as well when a college graduate earns over 60 percent more in a lifetime than a high school graduate. This is true for our businesses when, according to one study, 6 in 10 simply cannot find the qualified workers that they need, are ready and willing to hire.

Unfortunately, we continue to lag in several critical areas. Our 8th grade students are 9th in the world in math and 11th in science. In response to assessments like these, some States have upped their game. I want to point to Massachusetts as an example, where eighth graders now tie for first in science around the world. Some—unfortunately, some States have actually done the opposite, and between 2005 and 2007, under No Child Left Behind, 11 States actually lowered their standards in math.

That may make those States look better relative to other States, but it's not going to help our students keep up with their global competitors. When I visited South Korea last year—and I've told this story before—I had lunch with President Lee, and I asked him, "What's your biggest education challenge?" And he said, "My biggest issue, my toughest fight is that Korean parents are too demanding. They want their kids to learn English in first grade, and so I've had to ship in a whole bunch of foreign-speaking teachers to meet the demand." They want their students learning everything—math, science, foreign languages—all as soon as possible. They want their kids to excel because they understand that whichever country outeducates the other is going to outcompete us in the future. So that's what we're up against. That's what's at stake—nothing less than our primacy in the world.

As I said at the State of the Union Address, I do not accept a United States of America that's second place. And that means that all of us are going to have to work together to make sure that we are taking seriously the investments we make in our children's future. That's the reason that we launched the Race to the Top, a national competition to spur reform and improvements in our schools.

We put $4 billion on the table and challenged States to compete for it, saying that if you embrace reforms that raise achievement, if you track and respond to student needs, if you evaluate and reward great teachers and principals and turn around failing schools, then we're going to help you make those reforms a reality. Now, many of you and your States already have, and that's why we're going to expand the Race to the Top program.

And I want to commend all of you for acting collectively through the National Governors Association to develop common academic standards that will better position our students for success. Many States have already positioned themselves to adopt higher standards, and today I'm announcing steps to encourage and support all States to transition to college- and career-ready standards on behalf of America's students.
And I know that many of you have had a chance to interact with our Secretary of Education, Arne Duncan, who's doing a terrific job, and I think you understand when you talk to him that this administration is serious about breaking down some of the barriers to reform that have existed in the past. We are tired of arguments between the left and the right, between reformers and teachers unions. We want to figure out what works, and we want to make sure that we are giving you the support and the resources that you need to implement what works.

Now, of course, lifting achievement and transforming our schools is going to require more than new standards. It's going to require better teaching, better curricula; it's going to require better assessments. So we are calling for a redesigned Elementary and Secondary Education Act that better aligns the Federal approach to your State-led efforts while offering you the support that you need. Now, let me just be specific on some things that we're looking to do this year.

First, as a condition of receiving access to title I funds, we will ask all States to put in place a plan to adopt and certify standards that are college- and career-ready in reading and math. Once you've got those standards in place, you'll be able to better compete for funds to improve teaching and upgrade curricula. If a university, State, or school district begins preparing educators to teach to higher standards, we'll give them the support that they need. And to make sure that we're delivering for our kids, we're launching a competition to reward States that join together to develop the highest quality, cutting-edge assessments required to measure progress, and we'll help support their implementation.

Now, this all goes hand in hand with our efforts to give every American a complete and competitive education. We are making college more affordable by increasing Pell grants. We're continuing a new $2,500 tax credit for 4 years of college tuition. We are working to ease graduates' debt burdens, because I believe—and I think you do too—that nobody should go broke because they decided to go to college. We're—we've provided the resources to effectively implement the post-9/11 GI bill, because every returning soldier should have the chance to begin a new life prepared for the new economy. We're strengthening our community colleges, because all of you know that they are outstanding career pathways for the children of so many working families. And we're working to reform the student loan program and save tens of billions of dollars that currently go to subsidizing financial intermediaries, because instead of having that money go to middlemen, we think it makes sense to spend that money educating the next generation.

Now, if we can come together and do all this—in Washington, in statehouses, and across party and ideology—we're going to raise the quality of American education, we'll give our students, our workers, and our businesses every chance to succeed, and we are going to secure this next century as another American century.

Let me just close by saying this. We've been trusted with the responsibility to lead at a defining moment in our history. We've been tasked not only to see this country through difficult times but to keep the dream of our founding alive for the next generation. That's not something to shy away from; it's something to live up to. And I intend to work closely with all of you, Democrats and Republicans, to do just that.

So with that, what I'd like to do is start the discussion. I think that what we're going to do is I'm going to call on Jim and Joe first. And then after they've made their opening statements and remarks, then we'll kick the press out, and everybody will roll up their sleeves and we'll get to work. Jim.
NOTE: The President spoke at 10:15 a.m. in the State Dining Room at the White House. In his remarks, he referred to Vice President Joe Biden, who introduced the President; Gov. James H. Douglas of Vermont in his capacity as chair and Gov. Joseph Manchin III of West Virginia in his capacity as vice chair of the National Governors Association; Gov. Jennifer M. Granholm of Michigan; Gov. Edward G. Rendell of Pennsylvania; Gov. Arnold A. Schwarzenegger of California; Gov. John E. Baldacci of Maine; Gov. Haley R. Barbour of Mississippi; and President Lee Myung-bak of South Korea. The transcript released by the Office of the Press Secretary also included the remarks of Vice President Biden.

Categories: Addresses and Remarks: Governors Association, National.

Locations: Washington, DC.

Education: Postsecondary education: Student loans, elimination of subsidies to private providers


Subjects: Budget, Federal: Appropriations; Education, Department of; California: Governor; Congress: Bipartisanship; Economy, national: American Recovery and Reinvestment Act of 2009; Economy, national: Recession, effects; Economy, national: Strengthening efforts; Education: Federal funding; Education: Global competitiveness; Education: Global competitiveness; Education: Goals, national; Education: No Child Left Behind Act; Education: Postsecondary education: Affordability; Education: Postsecondary education: College debt, repayment and loan forgiveness options; Education: Postsecondary education: Pell grants; Education: Postsecondary education: Tax credits, expansion; Education: Reform legislation, proposed; Education: Science and math programs; Education: Standards and school accountability; Education: Standards and school accountability; Education: Teachers; Education, Department of: Race to the Top Fund; Education, Department of: Secretary; Education: Postsecondary education: Community colleges; Employment and unemployment: Job creation and growth; Employment and unemployment: Job losses; Energy: Alternative energy products and technologies, U.S. production; Energy: Domestic sources; Governors Association, National; Health and medical care: Cost control reforms; Health and medical care: Health insurance, protection of coverage; Maine: Governor; Massachusetts: Education, standards and school accountability; Michigan: Governor; Mississippi: Governor; Pennsylvania: Governor; South Korea: President; South Korea: President Obama's visit; Standards and school accountability; Taxation: Tax relief; Transportation: Mass transit and rail infrastructure, improvement efforts; Vermont: Governor; Veterans Affairs, Department of: Education and job training assistance; West Virginia: Governor.

DCPD Number: DCPD201000114.