The Mechanisms that Propel Executive Federalism: How Obama's Race to the Top Refashioned State Policy Making

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Abstract

Extending the existing literatures on lawmaking, unilateral action, and vertical diffusion, this paper investigates the specific ways in which presidents influence state policy-making processes over which they wield no independent formal authority. Focusing on Barack Obama's Race to the Top Initiative (RttT), we evaluate the president's ability to leverage two resources — money and attention — in order to advance a policy agenda among the states. Coming on the heels of the Great Recession, RttT's financial incentives had a clear impact on state participation rates, the kinds of policy commitments made in applications, and the willingness of states to subsequently implement education reforms. By focusing public attention on a well-defined set of education reforms, RttT also encouraged states to consider these policies with newfound energy and commitment; Obama's association with RttT, however, infused state deliberations with heightened partisan discord. Taken as a whole, our results reveal the distinctive ways in which two commonly recognized mechanisms of federal control operate when put into the hands of presidents.

Scholars have studied two venues in which presidents can advance their policy agenda. The first is Congress, where presidents attempt to use the veto, public appeals, and informal agenda-setting powers to influence legislative deliberations (for a review, see Wayne 2009). Alternatively, presidents can simply act on their own, issuing executive orders, proclamations, memoranda and other unilateral directives in lieu of statutory change (Howell 2005 and Mayer 2009). Lacking either the necessary support within Congress to pass a new law or the requisite authority to exercise their unilateral powers independently, however, presidents would appear at a loss. In such instances, most presidency scholars concede, presidents have little choice but to await the next election, when the political landscape hopefully shifts in their favor.

Congressional lawmaking and unilateral activity, however, do not exhaust the opportunities for presidents to influence public policy. As an emergent literature on "executive federalism" recognizes (Gais and Fossett 2005; Mehta and Teles 2011), presidents can turn to state governments when policy change at the federal level appears unattainable. Rather than coordinate with Congress in their efforts to manage state-federal relations, presidents, instead, intervene directly into state policy deliberations. As Gais and Fossett observe (2005, 487), in the evolving sphere of federalism, presidents have "become a primary locus for producing major changes in domestic policy."

Barack Obama's Race to the Top (RttT) initiative provides a case in point. Equipped with a relatively modest sum of money, Obama attempted to spur wide-ranging reforms in a policy domain — education — over which past presidents had exercised very little independent authority. Through a series of competitions in which state applicants stood to win federal funds on the basis of their demonstrated willingness to adopt education policies, Obama sought to, in Paul Manna's (2006) terminology, "borrow strength" from outside the federal government in order to promote policies that could not be advanced within it. The president's efforts met with a good deal of success: the adoption of RttT policies across the U.S. states accelerated after — and as a direct result of — the initiative (Howell and Magazinnik 2017).

This paper investigates the specific ways in which RttT affected state-level policy making. Rather than assess *whether* RttT altered the production of education policies around the country, it investigates *how* it did so. We focus on two primary mechanisms, money and attention, both of which proved instrumental in the president's efforts to refashion state policymaking. As incentives for adopting specific education policies, the federal Department of Education (DoE) offered upwards of $4.5 billion in grants; the competitions were subjects of major outreach efforts that simultaneously raised the visibility of this particular subset of policies and branded them as Obama's favored initiatives.

We present evidence that both money and attention influenced the behaviors of state policymakers. They did so, however, in ways that differed rather substantially from standard accounts within the existing vertical diffusion literature (for a review, see Dinan 2014). The influence of financial inducements crucially

depended upon each state's fiscal needs. Leveraging cross-sectional variation in participation rates, we find that states whose education budgets were disproportionately affected by the Great Recession of 2007-2008 were especially likely to apply to RttT, made larger promises for future policy activity, and, conditional on winning a RttT grant, were more likely to implement RttT policies. Raising the salience of these policies, meanwhile, had two countervailing effects. First, cross-sectional comparisons show that RttT increased the number of relevant bills introduced and voted on by state legislatures, much as the existing literature supposes. But second, by exploiting within-legislator variation in voting patterns over time, we also find that RttT exacerbated partisan divisions in ways that few studies of vertical diffusion anticipate.

This paper proceeds as follows. After first describing the rollout and design of RttT, we then summarize what the existing literatures on U.S. federalism have to say about two distinct mechanisms, money and attention, that enable presidents to disrupt state policymaking processes. Subsequently, we summarize the main empirical support for each. In the conclusion, we reflect on the changing nature of U.S. federalism and the president's distinct efforts to shape education policy around the country.

1 A Description of the Policy Competition

Congress funded RttT through the American Recovery and Reinvestment Act (ARRA). Signed into law on February 17, 2009, the ARRA contained $787 billion in tax cuts and economic stimulus spending. Roughly $100 billion of the ARRA was allocated for education, of which $53.6 billion went into the State Fiscal Stabilization Fund (SFSF). Within SFSF, however, $5 billion was set aside for a competitive grant system, $4.35 billion of which established RttT.

RttT operated over multiple competitive phases. In each phase, states were asked to describe their past policy achievements and outline their future goals in meeting policy priorities that spanned six major categories: teacher effectiveness, state involvement in education reform, standards and assessments, support for charter schools and other non-traditional public schools, school intervention procedures, and data systems. Within each category, the DoE established further point breakdowns for policy subcategories. Through direct communications and public announcement, the DoE provided extensive information about the kinds of policies that satisfied the demands of these categories.

Participating in the various phases of the competition was entirely voluntary. Applications for Phase 1 were due January 19, 2010. As shown in Table A1, 40 states and the District of Columbia submitted applications. Finalists were announced on March 4, 2010, and the two official winners were declared on March 29, 2010. Phase 1 winners Tennessee and Delaware were each awarded roughly $500 million and $100 million, which that year amounted to 10.0 and 5.7 percent of the respective states' budgets for K-12

education.[1] Phase 2 applications then were due June 1, 2010. The application criteria were the same for Phase 2, though Phase 1 winners could not apply and other states could resubmit amended applications. A total of 35 states and the District of Columbia participated in Phase 2. Finalists were announced on July 27, 2010, and winners on August 24, 2010. Phase 2 had a total of 10 winners, each awarded prizes of between $75 million and $700 million.[2] Figure 1 shows competition winners, losers, and non-applicants on a national map.

Having exhausted the ARRA funds, the president in 2011 sought additional support for RttT. That spring, Congress allotted funds to support a third phase. Phase 3 differed from previous rounds in three important ways. First, only losing finalists from Phase 2 of the competition were allowed to participate. Second, the policy scope of Phase 3 was significantly smaller, as each competing state needed only to reconfirm their commitments to a subset of reforms they had made in their Phase 2 applications. States, however, had some latitude to choose the activities and projects from their Phase 2 application that they planned to focus on pursuing. Finally, a significantly higher percentage of participating states won in Phase 3 of the competition, though the amounts of these grants were considerably smaller than those from Phases 1 and 2. On December 23, 2011, the DoE announced Phase 3 winners, which received prizes ranging from $17.1 million to $42.8 million. Over all three rounds, 18 states and the District of Columbia were awarded grants totaling $4.1 billion. These awardees in aggregate serve approximately 2 million students, which account for approximately 45% of all K-12 students in the United States.

The promise of money came at a propitious time. Between 2007 and 2009, states across the nation lost substantial tax revenues, which, in some instances, had devastating consequences for their education budgets. As previously discussed, large portions of the 2009 Stimulus Act were devoted to offsetting these losses. Nonetheless, the magnitude and persistence of the Great Recession's effects on state economies left many of them wanting more. According to some estimates (see, e.g., Leachman and Mai 2014), as late as 2012, state and local education funding levels in 35 states remained lower than where they stood in 2007. As part of these cuts, school districts removed upwards of 330,000 employees from their rolls. Moreover, rising proportions of available funds were diverted to capital and pension costs, further constraining the ability of schools to support ongoing operations.

As a deliberate part of its marketing campaign for RttT, the DoE also solicited widespread public attention. The competition was plainly orchestrated to increase the salience of education reforms that, since the federal government's enactment of No Child Left Behind in 2001, had lain fallow in Congress and

[1] Prize packages was based primarily on the share of its population of children ages 5 through 17. Further details available at: `http://www.ed.gov/news/press-releases/delaware-and-tennessee-win-first-race-top-grants`.

[2] For empirical investigations into who applied and who won the RttT competitions, see Manna and Ryan 2011 and McGuinn 2010. For a General Accounting Office report on the subject, see: `http://www.gao.gov/new.items/d11658.pdf`.

state legislatures. To announce RttT, the president headlined a major press conference in July 2009. The rhetoric employed by all attendees was nothing short of breathless. Secretary Duncan called the initiative "a once-in-a-lifetime opportunity for the federal government to create incentives for far-reaching improvement in our nation's schools," "the equivalent of education reform's moon shot," and "a new federal partnership in education reform with states, districts, and unions to accelerate reform."[3] In the months that followed, the president, Secretary of Education, and their staffs toured the country to promote RttT. Duncan, in particular, traveled the nation touting the competition to governors, state legislators, teacher's unions, and other interest groups. He also wrote op-eds to increase RttT's public visibility.[4] To heighten the drama, the administration announced the winners of each phase of the competition at major press conferences at the National Press Club. Throughout the process, the DoE worked closely with a number of prominent foundations and education reform groups — notably New Leaders for New Schools, Teach for America, the New Teacher Project, KIPP, the Mott Foundation, and the Gates Foundation — to raise awareness about RttT and provide supportive services to states interested in applying.

The media took notice. Every major newspaper in the country devoted coverage to the competition, with many commentators lauding RttT's specific policy objectives: the *Christian Science Monitor* called the announcement of RttT a "massive incentive for school reform,"[5] and the *New York Times* claimed that the process "would favor bold reform plans from states with proven records of improving student performance."[6] Looking back on these developments, *The Washington Post* declared that RttT, though flawed in important respects, helped transform the national discussion on education,[7] while Michelle McNeil from *Education Week* said that the competitions stimulated an unprecedented national conversation on school reform.[8] National conversations about RttT trickled down to the state and local level, particularly in the context of the economic crisis and debates over budget cuts, tax increases, and teacher layoffs that brought education spending and collective bargaining policies into stark relief. Numerous governors pushed state legislatures to change laws to improve their RttT prospects, most prominently in California, where Governor Arnold Schwarzenegger called the legislature into special session to debate a package of education reforms.[9]

The DoE's efforts, however, did not only enhance the general salience of RttT policies. They also united a batch of diverse proposals under a single banner that now was closely associated with the sitting president.

[3]Retrieved from: `https://www2.ed.gov/news/speeches/2009/07/07242009.html`.

[4]See, for example, this one: `http://www.washingtonpost.com/wp-dyn/content/article/2009/07/23/AR2009072302634.html`.

[5]Gail Chaddock, "Obama's $4 Billion Is Massive Incentive for School Reform." *Christian Science Monitor*. July 24, 2009.

[6]Editorial. "Continue the Race." *New York Times*. August 28, 2010.

[7]"Race to the Top itself needs some reform," *The Washington Post*. 27 August 2010. `http://www.washingtonpost.com/wp-dyn/content/article/2010/08/26/AR2010082605681.html`.

[8]Retrieved from: `http://www.edweek.org/ew/articles/2009/09/02/03stim-race.h29.html`

[9]Patrick McGuinn, "Presidential policy making: Race to the Top, Executive Power, and the Obama Education Agenda," p. 67.

As a consequence, RttT injected into state deliberations about these education reforms new political considerations, as revealed by the changing Republican attitudes about the Common Core Consortium, a group charged with developing national education standards. On its merits, the Common Core combined features that were both favorable and unfavorable to conservatives: according to some, it was the logical extension of the Bush Administration's testing regime established under No Child Left Behind; and to others, nationwide standards represented an overreach of federal authority into a domain with a long tradition of local control. Before RttT, prominent Republicans such as Louisiana governor Bobby Jindal, Wisconsin governor Scott Walker, and Arkansas governor Mike Huckabee spoke out in favor of Common Core. Subsequently, though, every one of them verbally revoked their support, spearheaded legislation to return to state standards, and then filed suits against the DoE for tying federal money to Common Core adoption.[10] Tea Party activists — a coalition of generally diverse and decentralized political interests — similarly rallied around the Common Core as an example of excessive federal authority after it became affiliated with President Obama.[11] By associating Common Core with Obama, RttT may have been a contributing factor to this about-face.

2 Recognized Mechanisms of Influence

In RttT, the federal government clearly sought to leverage two resources — money and attention — to its political advantage. In this regard, RttT is hardly new. A good deal of federalism scholarship pays tribute to the utility of each of these mechanisms.[12] Very little of this work, however, accounts for either their heterogenous impacts on state governments or the downstream effects of letting presidents, as distinct from members of Congress, exploit them.

For decades, the federal government has employed financial mechanisms, particularly grants-in-aid, to alter state policymaking (Dinan 2014). Whereas grants-in-aid were originally designed to help states pursue their own objectives, the 1960's inaugurated a new phase of federal intervention in subnational affairs, whereby "Congress asserted the national interest and authority in a wide range of governmental functions that had been the province, exclusively or predominantly, of state and local governments" (Sundquist 1969). The federal government advanced these objectives through a blend of both carrots and sticks: Title VI of

[10] See: Ian Tuttle, "Does Scott Walker have a Common Core Problem?" accessed at `http://www.nationalreview.com/article/414399/does-scott-walker-have-common-core-problem-ian-tuttle`; Allie Gross, "How the GOP Candidates are Flailing on the Common Core," accessed at `http://www.motherjones.com/politics/2015/06/common-core-gop-election-2016-confused#contortionartists`.

[11] Retrieved from: `https://www.washingtonpost.com/politics/tea-party-groups-rallying-against-common-core-education-overhaul/2013/05/30/64faab62-c917-11e2-9245-773c0123c027_story.html`

[12] Money and attention, of course, do not exhaust the possible mechanisms of policy influence across governing units. Indeed, the literature on state policy diffusion recognizes a good deal more, including public opinion (Pacheco 2012), salience (Nicholson-Crotty 2009), and opportunities for learning, imitation, competition, and coercion (Shipan and Volden 2008). Unlike money and attention, however, these mechanisms are not obviously suited to presidential policy manipulation, which is the subject of this paper.

the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, for instance, conditioned the provision of federal grants on each state's willingness to abide by national anti-discrimination standards; and the Highway Beautification Act of 1965 made it possible for states to lose transportation funds if they did not adopt federal regulations regarding highway billboards (Advisory Commission on Intergovernmental Relations 1984).

A sizable body of empirical work within the vertical diffusion literature documents the consequences of these efforts (Bahl and Saunders 1965; Osman 1966, 1968; Wilde 1968; Smith 1968; O'Brien 1971; Harrison 1975; Hedge 1983; Benton 1992; Volden 1999). For the most part, scholars have found, federal policies diffuse more rapidly when they are accompanied by positive inducements rather than punishments or no financial awards at all (Welch and Thompson 1980). Whether by reducing the marginal costs of policy investments (Chubb 1985; Dubnick and Gitelson 1981; Eyestone 1977; Hamilton and Wells 1990; Peterson, Rabe, and Wong 1986) or producing a "flypaper effect," whereby federal expenditures stimulate further state spending within a policy domain (Clark and Whitford 2011), federal grants-in-aid reliably improve the chances that state governments will follow federal policy recommendations. They do so, moreover, across a wide variety of domains, including truth-in-sentencing laws (Allen, Pettus, and Haider-Markel 2004), welfare reform (Albritton 1989; Barrilleaux, Holbrook, and Langer 2002), environmental protection (Clark and Whitford 2011), and policies to promote hybrid-electric vehicles (Diamond 2009).

Money, however, is not the only mechanism at the federal government's disposal. A separate strand of the vertical diffusion literature investigates how the federal government exercises influence over state governments simply by increasing the salience of select reforms. Recent work shows that both state legislators and the interest groups that lobby them take cues from the national policy agenda (Baumgartner, Gray, and Lowery 2009; McCann, Shipan and Volden 2015; Karch 2007, 2012). By virtue of the public attention they attract, presidential speeches, congressional hearings, and Supreme Court cases all have the potential to alter state policy deliberations. They do so, moreover, in a wide range of domains, including stem cell research (Karch 2012), tobacco and vaccines (Pacheco and Boushey 2014), environmental policy (Daley and Garand 2005), and abortion (Roh and Haider-Markel 2003).

For all that it has to say about money and attention, however, the existing vertical diffusion literature rests upon two simplifying assumptions. First, this research tradition tends to view subnational governments as interchangeable units; and so doing, it typically estimates the average effects of financial inducements on state policy adoptions. But as Nicholson-Crotty (2004) recognizes, the influence of financial inducements may depend upon a state's preexisting policy objectives and its independent financial capacity to achieve them. These joint factors, moreover, can be expected to vary rather significantly across states. By downplaying the differences in state responses to federal interventions, the vertical diffusion literature largely overlooks

the possibility of heterogeneous treatment effects, understood either by reference to within-state differences across multiple stages of the policymaking process,[13] or to across-state differences within any given stage of policy activity.[14]

Just as it treats state governments as undifferentiated units, the vertical diffusion literature also tends to represent the federal government as a singular entity cast in Congress's image. Strictly as a matter of accounting, however, Congress is not the only protagonist in federal-state relations. As a recent literature on "executive federalism" documents, increasingly it is the president who structures relations between state and federal governments (Gais and Fossett 2005; Mehta and Teles 2011). Rather than attempt to stir Congress to action, Gais and Fossett (2005, 487) observe, recent presidents have "used a growing range of administrative tools to negotiate directly with states over specific policies or to alter the context of state policy making without specific congressional approval." Presidents, moreover, are not merely understudies for Congress. Presidents have powers all of their own, just as they occupy a distinct place within our system of governments — facts, both, that have meaningful consequences for the design, implementation, and effect of presidential initiatives on state governments.

Race to the Top highlights the stakes involved. Conceived and then initiated within the federal bureaucracy, RttT deployed money and attention in altogether different ways than the vertical diffusion literature imagines. Constrained in their ability to secure a consistent stream of funding, the president and the DOE organized RttT as a competition rather than a standard policy payment system. Lacking the requisite statutory and budgetary powers, the president had no choice but to relinquish legislative penalties and fixed financial inducements in favor of a multi-phase competition that was explicitly intended to stimulate policy change across the nation. And as Makse and Volden (2011) show, the particular design of a programmatic initiative can have material consequences on states' willingness to adopt it.

The president also made the most of his distinct advantages over Congress. Unlike the agenda-setting power that Congress enjoys as a byproduct of legislating — which is contingent on an issue garnering enough support to make it onto the national agenda in the first place — the president has an extraordinary ability to increase the salience of an issue, regardless of its legislative prospects (Bednar 2011). As Baumgartner and Jones (1993, 241) write, "no other single actor can focus attention as clearly, or change the motivations of such a great number of actors as the president." In the president's hands, however, the national spotlight

[13]This particular source of variation is especially rare within the vertical diffusion literature. As Karch and Rosenthal (2016, 25) lament, "Most vertical diffusion research examines a single stage of the policy process, drawing broad inferences about the effect of state-level developments solely on the basis of enactment patterns or committee hearings."'

[14]Two notable exceptions include: Nicholson-Crotty (2004), which argues that the effectiveness of federal grants in stimulating further subnational spending is conditioned by goal congruence between recipient jurisdictions and the national government; and Nicholson-Crotty and Staley (2012), which argues that competitive federalism and credit-claiming considerations offer a better explanation for states' participation in RttT than financial need or partisanship. Several other studies control for the influence of internal factors when estimating the effect of intergovernmental grants on state policy adoptions (e.g. Daley and Garand 2005), but nonetheless report only average treatment effects for all states.

can function differently from standard accounts within the vertical diffusion literature. At the same time that he raises the general salience of an issue, the president also can inject it with a clear partisan, if not ideological, valence. A large literature in political behavior demonstrates the importance of source cues — the identities of the political actors behind the message — for shaping public opinion (see, e.g., Arceneaux 2008; Arceneaux and Kolodny 2009; Boudreau 2009; Goren, Federico, and Kittilson 2009, Grossman 2014, Nicholson 2012, Rahn 1993). And among potential cue givers, the president is unrivaled. Speaking with one voice, representing one party, and attracting disproportionate media attention, the president can reshape the partisan undercurrents of public opinion to a greater extent than any other political actor.[15] As a result, the heightened salience born of executive federalism may trigger partisan tensions in ways that congressional initiatives simply do not.

Still, there are no guarantees that presidential efforts will actually alter state policy deliberations. RttT focuses on a policy domain in which the federal government generally, and the president in particular, is uniquely disadvantaged. Constitutional authority over education policymaking rests squarely with state governments; the federal government furnishes about 10 percent of funds to public schools around the nation, the balance coming from state and local governments; and the president holds no exclusive responsibility over education policy. The extant literature on executive federalism, meanwhile, is nearly devoid of systematic empirical tests that demonstrate the president's reach into state policymaking.[16] It remains very much an open question, therefore, whether an instrument of presidential design can effectively leverage money and attention to reshape state policy deliberations.

3 Evidence on the Effects of Money

To assess the relevance of money, we exploit the state-level differential effects of the so-called "Great Recession" on state education revenues. As previously noted, the Great Recession depleted the education coffers of many states. Its effects, however, varied widely. While the education budgets of most states declined during this period, the size of these losses varied dramatically, and some states, notably North Dakota and Alaska, experienced large windfalls in state revenues (see Figures 1 and 2 of Leachman and Mai 2014). In this section, we present evidence that these differences materially affected the willingness of states to participate in RttT, the policy commitments they made in their applications, and their subsequent willingness to adopt new education reforms.

First, we estimate the effect of state education revenues on states' decisions about whether to apply to

[15] Recent research, for instance, shows that Obama's actions dramatically increased polarization along racial dimensions of policy domains such as health policy (Tesler 2012) and even partisan identification and vote choice (Tesler 2013).

[16] See Thompson (2013) for one exception, which focuses exclusively on the case of Medicaid.

RttT. In the third column of Table 1, we estimate a linear model of the form:

$$apply_i = \beta_0 + \beta_1 \Delta edrev_i + \beta_2 demgov_i + \beta_3 housedem_i + \beta_4 demvote_i + \beta_5 RttTpol_i + \varepsilon_i$$

and in the fourth column, we estimate:

$$apply_i = \beta_0 + \beta_1 \Delta edrev_i + \beta_2 edrev_i + \beta_3 demgov_i + \beta_4 housedem_i + \beta_5 demvote_i + \beta_6 RttTpol_i + \varepsilon_i$$

where the dependent variable $apply_i$ characterizes the proportion of eligible applications made by each state i in the first two rounds of the competition;[17] $\Delta edrev_i$ is the difference between state i's logged per capita education revenue in 2009 and 2007,[18] which is a plausible window for capturing the effect of the Great Recession;[19] $edrev_i$ represents state i's per capita education revenue in 2010;[20] $demgov_i$ is a dummy variable equal to 1 if the state had a Democratic governor in 2010; $housedem_i$ represents the proportion of state i's House of Representatives that is Democratic; $demvote_i$ is the state's Democratic vote share in the most recent (2008) presidential election (scaled from 0 to 1); and $RttTpol_i$ represents the number of policies satisfying RttT's requirements that state i had in place in 2008, as coded by our research team from states' legislative histories. The unit of analysis here is the state.

A range of different model specifications yields consistent evidence that states whose education budgets were harder hit by the recession were more likely to apply to RttT. Under our preferred specification, which appears in column 4, a ten-percent increase in the proportion of 2009 to 2007 per-capita state education dollars is associated with a 0.10-unit decrease in the rate of applying to RttT, a difference that is significant at $p < .10$. The logged 2010 level of a state's education revenue was also a strong predictor of its decision to apply: a ten-percent increase in this variable was associated with a 0.03-unit decrease in the state's likelihood of entering the competition ($p < .05$).

Next, we estimate the effect of state education revenues on policy commitments made on the RttT

[17] Because they were ineligible to reapply in the second round, first round winning states received a value of one. All other states, meanwhile, receive a value of zero, .5, or 1 depending upon whether they supplied zero, one, or two applications in the first two rounds. Models that estimate the probability that each state applied at least once to the competition yield comparable results. See Online Table A2.

[18] Calculated as such, this variable represents the logged proportion of 2009 to 2007 per capita education revenues. Recognizing the fungibility of state budgets, we also estimated models that account for total budget changes during this period. The results, which are presented in Online Table A3, are comparable to those that appear below.

[19] The 2008-09 period accounts for the bulk of the change, but we include 2007-08 as well, as it marks the beginning of the economic downturn. Results are robust to the restricting the period to 2008-09.

[20] Note that the revenue variables reflect only state funds. We do not include federal revenues, as stimulus funds already had been disbursed to some states in 2010.

applications by states that participated in the competition. This analysis uses a similar estimation strategy to that in Table 1, where the dependent variable is state i's probability of promising to implement a given RttT policy on its last submitted application of Rounds 1 and 2. The unit of analysis here is policy by state. The sample is restricted to those states that applied to either of the first two rounds of the competition.[21] These regressions consist of state-by-policy observations, allowing us to account for whether a given policy was in place in a given state in 2008, rather than the total number of RttT policies on the books in 2008 as done in the previous analysis.

The financial resources required to launch different RttT policies varied widely. On one end of the spectrum, policies requiring changing protocols for evaluating teachers or committing to common national educational standards did not require a large investment of financial resources (though they did face vocal and well organized opposition from teacher's unions, Tea Party activists and parent groups). At the other end, states were asked to create comprehensive data systems linking students to teachers while complying with federal privacy regulations — a herculean task for less technologically advanced states. In our analysis, we separately estimate the effects of education budgetary trends as well as correlates of policy promises on a state's willingness to pursue financially cheap and expensive policies.[22]

Table 2 presents results. Pooling all policies, as done in columns 1a-1b, we find no systematic relationship between RttT applicants' education revenues and their policy promises. But when considering cheap and expensive policies separately, as done in columns 2a-2b and 3a-3b, respectively, we see that the null overall effect masks two countervailing patterns: states whose budgets were less severely affected by the recession were significantly more likely to commit to implementing expensive policies, and significantly less likely to commit to cheap policies. Specifically, under the second specification (including both levels and changes in education revenues), we find that a ten-percent increase in the proportion of 2009 to 2007 education revenues was associated with a 0.06-unit increase in the probability of promising to implement an expensive policy ($p < 0.05$), and a 0.06-unit decrease in the probability of promising to implement a cheap policy. Two potentially coexisting mechanisms explain our effects. First, relatively better resourced states may have seen RttT as an opportunity to fund expensive new projects, while cash-strapped states tended to focus on policies that would not require significant outlays of additional resources. Second, wealthier states that had the resources to substitute away from contentious policies did so in favor of more expensive, but politically

[21] See Appendix Table A4 for the results of regressions that include non-applicants in the sample, with those states' policy promises coded as 0.

[22] We code "expensive" policies as the following: having a longitudinal data system in which every K-12 student and teacher has a unique identifier; providing charter schools with funding for facilities; having a law that does not restrict the number of charter schools in operation (which must be funded by the state); measuring academic growth for every K-12 student; and expanding credentialing programs that are successful at producing effective teachers (which necessitates data systems that link teachers to their preparation programs as well as their students). By contrast, examples of "cheap" policies include entering into a consortium for developing common standards and assessments, or using teacher evaluations to inform retention and compensation decisions.

less controversial, reforms.

To see how these patterns in commitments translated into actual policy adoptions, we estimate the joint effects of state budget revenues and competition outcomes on policy implementation over the 2010-14 period. Our full specification is the model:

$$Pr(Y_{itp} = 1) = \beta_0 + \beta_1 \Delta edrev_i + \beta_2 edrev_{it} + \beta_3 win_{it} + \beta_4 lose_{it} + \beta_5 win_{it} * \Delta edrev_i + \beta_6 lose_{it} * \Delta edrev_i + \beta_7 demgov_{it} + \beta_8 housedem_{it} + \beta_9 demvote_{it} + \beta_{10} RttTpol_{ip} + \beta_{11} promise_{itp} + \eta_p + \varepsilon_{itp}$$

As before, we estimate effects on the pooled sample of policies (1a-1b), then separately for expensive (2a-2b) and cheap (3a-3b) policies. As before, the first column of each analysis (a) includes only the change in logged per capita education revenues from 2007 to 2009, while the second (b) also includes revenue levels in the given year (the equation above). All specifications include indicator variables for winning RttT and for applying but never winning in any year up to and including the given year (win_{it} and $lose_{it}$); the omitted category is having never yet applied.[23] All specifications also include the interaction of winning and applying with the change in state education revenue over the 2007-09 period, a vector of Democratic controls (Democratic governor, proportion of Democrats in state House of Representatives, and 2008 Democratic presidential vote share), a control for policy implementation in 2008 (before any states applied to the competition), an indicator for whether the state committed to implementing the policy on its RttT application, and policy fixed effects (η_p). For all specifications, the unit of observations is measured at the state by policy by year level.

Table 3 presents the point estimates for each of our regressions, while Figure 2 plots the main findings of interest. The pattern of results observed at the application stage of the competition did not carry through to the implementation stage. Better-resourced states, we previously saw, were less likely to offer policy commitments on cheap policies, but more likely to make commitments on expensive policies. Conditioning on these commitments, however, those better resourced states that went on to win the competition were more likely to implement both categories of policies. Among competition winners, a ten-percent increase in the proportion of 2009 to 2007 per capita education revenues was associated with an approximate 0.05-unit increase in the probability of implementing either an expensive or cheap policy ($p < 0.05$). We observe no relationship between adoption rates of expensive policies and education funds for losing states. And whereas states with fewer education resources made more promises on cheap policies, those states that failed to win

[23] Online Appendix Table A5 treats Round 3 winners as applicants, as they received a substantially smaller amount of money than Round 1 and 2 winners. The results are similar.

the competition then were significantly *less* likely to implement these policies.

4 Evidence on the Effects of Attention

Our evaluation of the effects of attention on RttT policy adoptions proceeds in two stages. First, we present evidence that the Obama administration's endorsement stimulated the introduction of relevant bills across the states, regardless of whether they actually participated in the competitions; moreover, these bills made it further along in the legislative process, translating ultimately into more widespread enactment of RttT policies in the post-2009 period than in the preceding years. We then ask a slightly more complicated question: how did Obama's endorsement alter patterns of support for a given policy, given its introduction into a state legislature? Here, we find evidence that attention from the president realigned state legislators' positions on RttT bills along partisan lines, with divisions between Democrats and Republicans becoming more acute in the aftermath of the competition. Whereas the net result of the two effects we identify was still a large-scale movement of education policy in the Obama administration's desired direction, our analysis sheds light on the trade-offs presidents make when they publicly promote their agenda.

4.1 Presidential Attention as Agenda Subsidy

Quite intentionally, the DoE trained legislators' attention on a new set of issues to consider by raising their salience relative to other policies. RttT need not have changed anyone's voting calculus; instead, by garnering media attention and focusing the efforts of education reformers, it simply increased the chances that robust versions of these bills would be put to a vote. As Mehta and Teles (2011, 210) note, RttT "functions as form of agenda subsidy. In essence, the federal government either raises the visibility of an issue or creates an action-forcing mechanism at the state level, thereby pushing it up the agenda of decision makers."

We use two longitudinal data sources to examine RttT's first-order effect on the salience of the president's education agenda. The first consists of all charter school bills considered in state governments around the nation. To identify this sample, we searched Lexis-Nexis for all bills introduced in each state and year from 2005-2014 that included the Boolean string "charter school." We chose to focus on this domain because it has been part of the national conversation on education reform — with relative uniformity in what charter school expansion has meant over time and across states — since long before the introduction of RttT, allowing for cleaner comparability of the bills in our sample.

Our second data source focuses on all RttT-related bills from four states: California, which participated in Round 2 of the competition and was a finalist for an award, though it did not reapply in Round 3 or collect

any money; Texas, which did not apply to any of the RttT competitions; and Delaware and Tennessee, the two winners in the first round of the competition, which collected $100 and $500 million, respectively. In all three states, we identified RttT-relevant bills by searching the Lexis-Nexis State Capital database for the same string of keywords, which included terms like "charter school" and "Common Core," for every two-year session from 2003 to 2015, and assessing whether the bill summaries and texts overlapped with the language of the RttT application prompt.[24] For each state, we then identified each bill number and its legislative history as it moved from committee through the chambers, onto the governor's desk, and finally into enactment.

Both datasets revealed patterns of legislative activity that are perfectly consistent with RttT having operated as an agenda subsidy. The nationwide charter school search returned 4,237 bills, of which 1,994 were adopted before 2010 and the announcement of the RttT competition, and 2,243 afterwards. In addition to being more numerous, bills introduced after RttT also proceeded further along the legislative process. Compared to the five years prior to the competition, in the five years after the announcement, 166 additional bills survived their chambers of origin and 150 more passed in the receiving chamber. In the five years after the initiation of RttT, the states passed 659 bills related to charter schools, while they passed just 495 in the five years prior.

We also find strong evidence that RttT raised the profile of the president's entire policy agenda within California, Texas, Delaware, and Tennessee. In California, the average number of bills introduced per year rose from about 12 in the pre-RttT period (2003-08) to about 32 in the post-RttT period (2009-13), with the number weakly rising across all RttT categories. A larger proportion of these bills was passed in the post-RttT period — up from about 34% to 41% — and the proportion ultimately enacted doubled from 9% to 18%. All of these bills, including those introduced prior to Obama's presidency, proposed to move policy in the pro-RttT direction; it seems that education policy in California did not change course with RttT but rather accelerated toward the competition's stated goals.[25] We observe similar patterns in the state legislature of Texas, which did not apply to the competition but nonetheless shifted its attention to RttT policy domains: the average number of RttT-related bills introduced per year from 2005-08 was about 7, compared to 11.5 from 2009-15. Unlike in California, however, the increased legislative attention devoted to RttT domains was not strictly supportive of the DoE's policies: in fact, the years immediately following 2009 in particular saw significant backlash against the federal agenda, an issue we examine more closely in the following section.

[24] Our exact search term was "(charter school) OR (school AND accountability) OR (student AND data) OR (k-12 AND standards) OR (school AND funding) OR (low-income AND school) OR (teacher AND certification) OR (common core) OR (teacher AND evaluation)".

[25] Summary of legislative activity in winning states to come here.

4.2 Presidential Attention as Partisan Activator

To assess whether RttT triggered heightened partisan divisions, we tracked within-member changes in Democratic and Republican voting behavior over time. In both Texas and California, we find that Republican opposition to RttT increased markedly on RttT policies in the aftermath of the competitions. On all other education policies, meanwhile, partisan differences in voting behavior appear undisturbed by the advent of RttT. To illustrate this pattern, we first focus on the case of California, where legislators in the State Assembly voted on 37 separate RttT bills between 2003 and 2013.[26] For these bills, we coded our dependent variable, pro-RttT vote, as 1 if the legislator cast a vote that was consistent with RttT policy ambitions and 0 otherwise.[27]

Figure 3 shows the broad trends in roll call votes for RttT policies in California. Though more bills were introduced and came to a vote post-RttT, they tended to pass by slimmer margins. Before the competition, on most bills that came to a floor vote, fewer than ten legislators refused to register support. In the post-RttT period, by contrast, half of the bills that came to the floor received at least twenty nay votes, abstentions, or absences. The partisan composition of pro- and anti-RttT votes also changed over time: whereas all but three pre-RttT bills passed with broad bipartisan support, one-half of post-RttT bills (13 out of 26) passed with at most a few Republican votes, of which seven passed with no Republican support whatsoever.

We see further evidence of heightened partisan divisions when we estimate a model regressing a legislator's propensity to support an RttT policy on partisanship and year variables, controlling for the number of bills in the same category that were introduced in the prior legislature as well as policy and legislator fixed effects. In the top panel of Table 4, we present estimates of variants of the following linear probability model:

$$Pr(Y_{itp} = 1) = \beta_0 + \beta_1 repub + \beta_2 repub * postrttt + \gamma_t + \rho_i + \varepsilon_{itp}$$

where Y_{itp} is coded as 1 for a "yea" vote and 0 for a "nay" vote or abstention on a bill that would enact a pro-RttT reform for legislator i in legislature t and for policy domain p. The regressor *repub* is an indicator variable for whether the legislator is a Republican and *postrttt* identifies legislatures held in 2009-10 or later.[28] Standard errors are clustered at the legislator level.

Across all specifications, we find that Republicans were less likely to vote in support of the RttT agenda

[26] In cases where the same bill was voted on multiple times, we kept only the vote on final passage after Third Reading, and we do so throughout all subsequent analyses.

[27] These coding decisions reflect California's legislative rules. In the California Assembly, most bills require a simple majority of 41 votes to pass (those that require an appropriation or that take effect immediately require a supermajority of 54 votes). In either case, as long as a quorum of half the chamber is present, an abstention is functionally equivalent to a vote against the bill, since it is not counted toward the vote threshold. See: `http://www.leginfo.ca.gov/bil2lawx.html`. Coding abstentions and absences as missing data, as is commonly done, therefore mischaracterizes their meaning and significance.

[28] Because year fixed effects are included, we omit the main effect of the post-RttT period in the full model.

at any time, but they became even less likely to do so in the post-RttT period. As shown in the second to fourth columns of the first panel of Table 4, all else equal, the probability that a California Republican would oppose an RttT policy following Obama's endorsement increased by 0.15 to 0.17. To illustrate this polarization effect more clearly, we plot the predicted probabilities of a pro-RttT vote by party and period based on the estimates in the second column of Table 4. The first panel of Figure 4 shows the gap between the parties widening after 2009 — largely driven by an ideological shift among Republicans, while Democratic support remained constant.

The patterns of legislative voting behaviors in Texas are nearly identical to those observed in California, even though Texas did not even apply to the competitions. The key difference is that, while all of the California bills in our sample sought to enact pro-RttT policies, many of the Texas bills directly opposed Obama's agenda. These bills, most of which were introduced in the wake of the competition, expressly prohibited the adoption of the Common Core standards in the state; restricted districts' ability to link teacher salaries to their students' performance on standardized tests; placed a moratorium on administering student assessments until a new system was put in place; and rejected the federal government's intervention in the assessment plan for Texas public school students. Thus, in this state, we adjust the coding of our dependent variable to consistently capture support for RttT policies: 1 for a yea vote and 0 for a nay vote on a pro-RttT bill, and 1 for a nay vote and 0 for a yea vote on an anti-RttT bill.[29]

The results for Texas are shown in the second panels of Table 4 and Figure 4. We again see Republican support for RttT policies taking a nose dive post-2009, even as Democratic support remained steady. After Obama publicly endorsed these policies, the probability that Texas Republicans would support them fell by 0.26 to 0.33. These findings appear in every model specification, including the one with year and legislator fixed effects. Here, again, the growing distance between the parties was driven more by increasing Republican opposition than Democratic support, though we observe a change in both directions.

In winning states, the patterns of voting behavior shift in important respects. In the third panel of Table 4, we report the pooled results for Tennessee and Delaware, the two Phase 1 winners in the RttT competitions. The first thing to notice is that there were fewer RttT-related bills in these legislatures: the pooled sample of votes from these states is less than half that of Texas alone, and less than one-third that of California alone.[30] Having won federal funds, state policymakers set about fulfilling their contractual obligations with the federal DoE largely through administrative action. On those pro-RttT bills that did come across the Assembly floor, legislators of both parties were more likely to register opposition after

[29]Neither Texas nor any other states for which we have collected legislative data have an absolute voting rule like California's, so we treat abstentions as missing for this and all subsequent analyses.

[30]There are 80 seats in the lower chamber of the legislature in California, 150 in Texas, 41 in Delaware, and 99 in Tennessee. Thus, we would expect the pooled winning states to have a sample size somewhere between that of Texas and California for the same number of RttT-related votes per legislator.

2009 than previously; moreover, there were more bills that actively contradicted RttT's goals in the post-RttT period.[31] We therefore see a large and negative estimate associated with the post-RttT indicator — an average decrease in the likelihood of supporting RttT by 0.56. Interestingly, we find no evidence in these two states that Obama's affiliation with RttT policies exacerbated partisan divisions between state legislators. To the contrary, absolute partisan differences remain unchanged, just as Democratic support declines disproportionately in the two periods. As Figure 4 shows, Democrats were about 0.11 less likely to support RttT than Republicans in the aftermath of the competition.

These results are broadly consistent across a wide variety of model specifications. Thus far, we have reported linear probability model estimates for ease of interpretation and because they do not demand the more strenuous assumptions required for consistency and unbiasedness of the nonlinear models (see Greene 2002). Our results are broadly consistent across a number of alternative approaches and specifications. We ran logit and conditional fixed effects logit models and recovered similar results to Table 4.[32] We modeled abstentions explicitly in California, coding 1 for yea votes, 0 for absences and abstentions, and -1 for nay votes, and ran a linear model as well as an ordered probit. Again, our results were broadly similar.[33] When treating 2010, rather than 2009, as the first year of the post-RttT period, the polarization effect appears much stronger in California and slightly weaker, though present, in Texas; since the first post-RttT bill appears in 2011 in the winning states, these estimates are unchanged.[34] Lastly, when estimating models that distinguish between the various phases of the competitions in the post-RttT period in California, we find consistent evidence of enhanced Republican opposition in the aftermath of Obama's endorsement.[35]

A legislator's propensity to support new RttT policies, of course, may depend upon a state's past policy achievements. And if the existing legislative landscape at the time votes are recorded matters differentially for Republicans and Democrats, as well it might, then our assessments of RttT's impact on patterns of partisan voting behavior may suffer from omitted variables bias. Empirical analyses of voting behavior routinely struggle to account for the status quo.[36]. Here, however, we are in a position to make inroads on the associated measurement problems. By linking the policy achievements explicitly modeled in Table 3 with the voting data analyzed in Table 4, we can condition votes for, say, an expansion of charter schools on the basis of whether charter provisions already were on the books. So doing, our findings change hardly at all. As shown in Online Table A11, the point estimates for partisan voting behavior before and after 2009

[31] These bills postponed the use of the new teacher evaluation system developed for RttT (TN HB 2315, 2011); scaled back the proportion of teacher evaluations that should be informed by student growth data (TN HB 108, 2015); pulled out of the Common Core Consortium (TN HB 1035, 2015); and placed a moratorium on all new charter schools until 2018 (DE HB 56, 2015).

[32] See Online Table A6.

[33] See Online Tables A7 and A8.

[34] See Online Table A9.

[35] See Online Table A10.

[36] For one especially smart stab at the problem, see Clinton 2012.

do not deviate in any substantial way from those observed in Table 4.

We further recognize that the analyses in this section are restricted to actual votes cast within state legislatures. Bills that were introduced into a chamber but not subject to an actual vote were excluded from the estimating samples. For the most part, though, this restriction leads us to understate the extent of partisan polarization caused by Obama's endorsement. Texas Republicans, for example, introduced a rash of anti-RttT policies, described above, that died before coming to a floor vote. In none of our states, moreover, do we observe Democrats introducing a comparable surge of pro-RttT proposals that meet a similar fate. While our empirical analysis documents heightened polarization at the voting level in losing and non-applying states, descriptively, at least, similar kinds of heightened partisanship arise earlier in the legislative process.

But what about the larger education agenda on which legislators were casting votes? Is there any evidence that Obama's association with RttT influenced legislators' support for non-RttT education policies? If so, we do not find it. When examining the remainder of education bills considered over which Obama took no public position, we observe partisan voting patterns holding steady throughout the period under investigation. Table 5 focuses on the California State Assembly, where comprehensive roll call data are readily available.[37] For the 787 non-RttT education bills considered between 2003 and 2013, we estimate the same models as in Table 4. Votes were scaled according to the partisan identification of a bill's author. Hence, a "yea" vote for a bill authored by a Democratic legislator received a 1, as did a "nay" vote or abstention for a bill authored by a Republican.[38] This coding scheme allows us to estimate the effect of being a Republican on support for Democratic-authored versus other-authored bills, both before and after the competition, as a way to capture the partisan polarization of the legislature with respect to education policy more broadly. In none of the models estimated do we find any evidence of heightened Republican opposition to non-RttT education policies that are associated with Democrats in the aftermath of RttT. The point estimates all hover around zero, and none even approaches standard levels of statistical significance.

5 Conclusion

In its effort to refashion education policy around the nation, RttT exploited two mechanisms at the president's disposal: money and a vigorous public relations campaign. Influence of the first can been seen throughout the competition. States whose education budgets were particularly hard hit by the Great Recession were especially likely to apply to RttT. These same states tended to make more promises to enact

[37] Data available at: `http://amypond.sscnet.ucla.edu/california/`.

[38] To pass in California, a proposed bill must receive the support of a majority of the entire State Assembly. As a result, abstentions are functionally equivalent to votes against a bill. Bipartisan-authored bills were included along with Democratic bills, but the results are robust to including them along with Republican-authored bills.

policies that did not require significant financial outlays, and fewer promises to enact policies that required more. Having won a federal grant, they were less likely to follow through on all types of policy commitments.

RttT also fixed a bright spotlight on a well-defined set of education reforms, thereby increasing their media exposure and coordinating the efforts of disparate education reform groups. In the aftermath of the competitions, state legislatures considered more RttT bills than they had before, even though the reforms advanced by RttT had been in circulation for years, if not decades; these bills, moreover, tended to advance further in the legislative process. By associating these policies with the president, however, RttT also imbued state deliberations over them with newfound partisan tensions. Whereas partisan divisions across the legislative and executive branches of state governments had no effect on the production of RttT policies before the competitions, these divisions in California and Texas had a marked effect thereafter. The estimated effects for the remainder of education policies, meanwhile, are indistinguishable from zero, underscoring the localized influence of a president's policy association.

While based on a smaller number of observations, the analyses of legislative voting behavior in Tennessee and Delaware impart two lessons. The first concerns the interaction of monetary and valence effects. Having won the RttT competition and then assumed contractual obligations with the federal DoE, legislators in the two states appeared no more partisan in their orientation to Obama's education agenda. If anything, in the aftermath of winning, Republican support appeared somewhat higher than Democratic support. Second, the locus of policy action shifted away from the state legislature and towards these states' executive branches. To fulfill their promises under the RttT competition, Tennessee and Delaware relied primarily on administrative rulemaking, while their legislatures exhibited dramatically more opposition to continued education reform.

RttT was hardly the first federal initiative to leverage money and attention to induce state-level policy changes. Indeed, it represents a throw-back to earlier efforts to prescribe policy change within the states. Instead of using block grants to support state efforts to define social problems and pave solutions as they see fit, as done under the so-called "new federalism," the Obama Administration evaluated states in this competition on the basis of their willingness to adopt clear and strict policy objectives. Participation in these competitions, to be sure, was entirely voluntary. But by holding out the promise of financial assistance at a time when many state education budgets were suffering, and by massively increasing the salience of specific reforms, the Obama administration radically altered the dynamics of education policy making within the states.

We do not know whether attention and money deployed by competitions in other policy domains would yield comparable results. To be sure, RttT made the most of the Great Recession, and it enjoyed the strong backing of the president himself. But it also leveraged a rather modest sum of money to advance some very controversial education policies at a time when congressional action was all but impossible. What is

clear, though, is that the options for presidents to advance policy change are a good deal broader than the existing literatures on presidential power suppose; and that in the hands of presidents, commonly recognized mechanisms for altering state policy deliberations yield results that differ in important respects from those documented by existing federalism literatures.

Tables

Table 1: Effect of Per Capita State Education Revenues on Decision to Apply to RttT

	(1)	(2)	(3)	(4)
Change in logged per capita education revenue, 2007-09	-1.283***	-1.100**	-1.408***	-0.958*
	(0.430)	(0.427)	(0.474)	(0.486)
Logged per capita state education revenue		-0.270*		-0.354**
		(0.137)		(0.146)
Democratic governor			0.140	0.121
			(0.086)	(0.082)
Proportion of state House, Democrats			0.251	0.524
			(0.385)	(0.382)
Democratic vote share, 2008 presidential election			-0.626	-0.450
			(0.635)	(0.607)
RttT policies in place, 2008			0.042	0.045*
			(0.025)	(0.024)
Constant	0.808***	2.624***	0.780***	2.909***
	(0.047)	(0.923)	(0.270)	(0.914)
R^2	0.157	0.221	0.279	0.366
N	50	50	50	50

Standard errors in parentheses. Significance tests are two-tailed. * p<0.1, ** p<0.05, *** p<0.01. Dependent variable is number of applications in Phases 1 and 2 as a proportion of possible applications. Unit of analysis is state.

Table 2: Effect of Per Capita State Education Revenues on Policy Promises Made among RttT Applicants

	All policies		Expensive policies		Cheap policies	
	(1a)	(1b)	(2a)	(2b)	(3a)	(3b)
Change in logged per capita education revenue, 2007-09	-0.246*	-0.224	0.505**	0.590**	-0.549***	-0.560***
	(0.144)	(0.149)	(0.225)	(0.231)	(0.181)	(0.186)
Logged per capita state education revenue		-0.032		-0.126		0.016
		(0.053)		(0.082)		(0.067)
Democratic governor	-0.027	-0.025	-0.056	-0.051	-0.009	-0.010
	(0.026)	(0.026)	(0.041)	(0.041)	(0.033)	(0.033)
Proportion of state House, Democrats	0.105	0.131	-0.009	0.097	0.150	0.136
	(0.110)	(0.119)	(0.172)	(0.185)	(0.138)	(0.149)
Democratic vote share, 2008 presidential election	0.251	0.250	0.748**	0.748**	0.071	0.071
	(0.191)	(0.192)	(0.299)	(0.298)	(0.240)	(0.240)
Policy was in place in 2008	0.378***	0.380***	0.491***	0.492***	0.295***	0.293***
	(0.041)	(0.041)	(0.052)	(0.052)	(0.059)	(0.059)
Constant	0.314***	0.510	0.169	0.953*	0.387***	0.285
	(0.092)	(0.343)	(0.139)	(0.529)	(0.109)	(0.429)
R^2	0.324	0.324	0.517	0.521	0.259	0.259
N	920	920	276	276	644	644

Robust standard errors clustered by state in parentheses. Significance tests are two-tailed. * p<0.1, ** p<0.05, *** p<0.01. Dependent variable is a binary indicator equalling 1 if a state promised to implement a policy on its last submitted RttT application in 2010. Unit of analysis is policy by state for all states that applied to RttT.

Table 3: Effect of Per Capita State Education Revenues on Policy Implementation, 2010-14

	All policies		Expensive policies		Cheap policies	
	(1a)	(1b)	(2a)	(2b)	(3a)	(3b)
Change in logged per capita education revenue, 2007-09	0.663	0.550	2.224***	2.049***	0.016	-0.088
	(0.522)	(0.510)	(0.367)	(0.406)	(0.637)	(0.636)
Logged per capita state education revenue		0.075		0.102**		0.073
		(0.056)		(0.045)		(0.072)
Won RttT	0.352***	0.383***	0.360***	0.393***	0.344***	0.377***
	(0.071)	(0.078)	(0.063)	(0.069)	(0.091)	(0.100)
Applied and lost RttT	0.196**	0.221**	0.223***	0.248***	0.180*	0.206*
	(0.075)	(0.083)	(0.061)	(0.066)	(0.096)	(0.105)
Won RttT * change in education revenue	-0.423	-0.350	-1.953***	-1.836***	0.193	0.258
	(0.534)	(0.528)	(0.369)	(0.409)	(0.646)	(0.646)
Applied and lost RttT * change in education revenue	-0.851	-0.821	-2.145***	-2.082***	-0.353	-0.330
	(0.528)	(0.490)	(0.314)	(0.359)	(0.670)	(0.635)
Democratic governor	0.003	-0.002	0.009	0.002	0.002	-0.003
	(0.043)	(0.043)	(0.030)	(0.028)	(0.052)	(0.052)
Proportion of state House, Democrats	-0.149	-0.196	-0.377***	-0.440***	-0.055	-0.100
	(0.157)	(0.167)	(0.105)	(0.108)	(0.193)	(0.204)
Democratic vote share, 2008 presidential election	0.309	0.272	0.478*	0.426*	0.227	0.191
	(0.311)	(0.304)	(0.241)	(0.230)	(0.366)	(0.363)
Policy was in place in 2008	0.432***	0.429***	0.450***	0.445***	0.404***	0.400***
	(0.033)	(0.033)	(0.045)	(0.045)	(0.046)	(0.046)
Commitment on application	0.149***	0.147***	0.247***	0.254***	0.111**	0.108**
	(0.039)	(0.038)	(0.050)	(0.050)	(0.047)	(0.047)
Constant	0.013	-0.476	0.002	-0.655*	0.054	-0.421
	(0.187)	(0.401)	(0.144)	(0.330)	(0.226)	(0.494)
Policy fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
R^2	0.416	0.418	0.594	0.597	0.355	0.356
N	4762	4762	1362	1362	3400	3400

Robust standard errors clustered by state in parentheses. Significance tests are two-tailed. * p<0.1, ** p<0.05, *** p<0.01. Dependent variable is a binary indicator equalling 1 if a state implemented a policy in a given year. Unit of analysis is policy by state by year.

Table 4: Bill Analysis in One Winning State, One Losing State, and One Non-Applicant

California (Losing State)

	(1)	(2)	(3)	(4)
Republican	-0.479***	-0.437***	-0.437***	
	(0.014)	(0.018)	(0.016)	
Post-RttT (2009-15)	-0.068***	-0.007		
	(0.011)	(0.009)		
Republican * Post-RttT		-0.169***	-0.169***	-0.152***
		(0.022)	(0.019)	(0.024)
Constant	0.983***	0.968***	0.987***	0.656***
	(0.005)	(0.005)	(0.018)	(0.038)
Year fixed effects	No	No	Yes	Yes
Member fixed effects	No	No	No	Yes
R^2	0.331	0.339	0.357	0.402
N	3523	3523	3523	3523

Texas (Non-Applicant)

	(1)	(2)	(3)	(4)
Republican	-0.039***	0.215***	0.227***	
	(0.012)	(0.017)	(0.014)	
Post-RttT (2009-15)	-0.080***	0.105***		
	(0.015)	(0.016)		
Republican * Post-RttT		-0.330***	-0.306***	-0.255***
		(0.021)	(0.016)	(0.019)
Constant	0.903***	0.762***	0.418***	0.403***
	(0.013)	(0.014)	(0.034)	(0.040)
Year fixed effects	No	No	Yes	Yes
Member fixed effects	No	No	No	Yes
R^2	0.010	0.042	0.262	0.299
N	2449	2449	2449	2449

Delaware and Tennessee (Winning States)

	(1)	(2)	(3)	(4)
Republican	0.050**	-0.075**	-0.023	
	(0.021)	(0.032)	(0.018)	
Post-RttT (2009-15)	-0.555***	-0.654***		
	(0.022)	(0.033)		
Republican * Post-RttT		0.189***	0.208***	0.218***
		(0.045)	(0.029)	(0.051)
Constant	1.155***	1.233***	0.947***	0.867***
	(0.027)	(0.032)	(0.027)	(0.070)
Year fixed effects	No	No	Yes	Yes
Member fixed effects	No	No	No	Yes
State fixed effects	Yes	Yes	Yes	Yes
R^2	0.329	0.337	0.424	0.471
N	937	937	937	937

Robust standard errors clustered by legislator in parentheses. Significance tests are two-tailed.
* p<0.1, ** p<0.05, *** p<0.01.

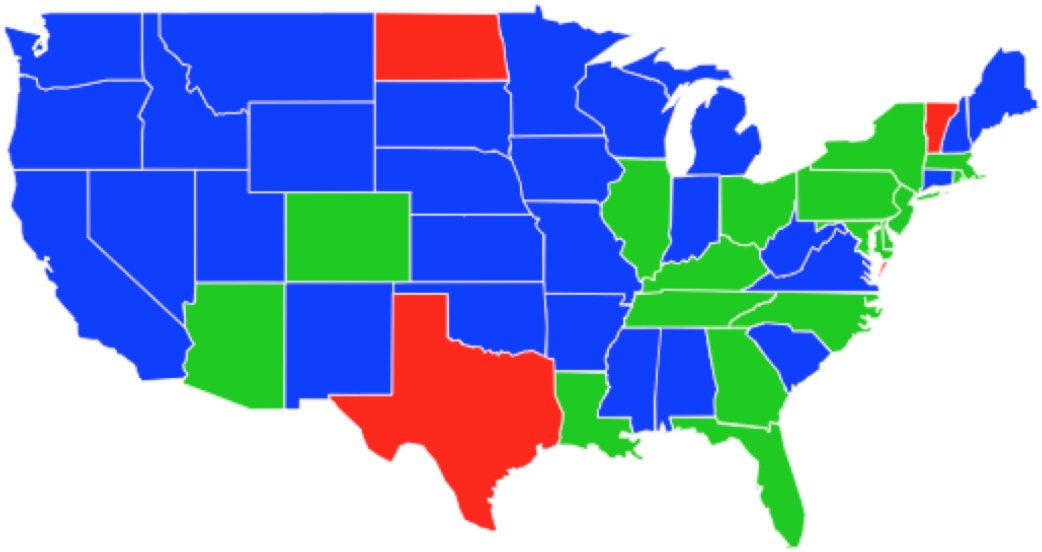
Table 5: Bill Analysis in California
Coding of control policies: 1=vote for a Democratic or bipartisan-authored bill, 0 against; 0=vote for a Republican-authored bill, 1 against

	RttT policies				All other education policies			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Republican	-0.479***	-0.437***	-0.437***		-0.324***	-0.321***	-0.317***	
	(0.014)	(0.018)	(0.016)		(0.009)	(0.011)	(0.009)	
Post-RttT (2009-13)	-0.068***	-0.007			-0.000	0.005		
	(0.011)	(0.009)			(0.006)	(0.007)		
Republican * Post-RttT		-0.169***	-0.169***	-0.152***		-0.014	-0.017	-0.008
		(0.022)	(0.019)	(0.024)		(0.013)	(0.011)	(0.010)
Constant	0.983***	0.968***	0.987***	0.656***	-0.201***	-0.202***	-0.255***	-0.442***
	(0.005)	(0.005)	(0.018)	(0.038)	(0.005)	(0.006)	(0.005)	(0.011)
Year fixed effects	No	No	Yes	Yes	No	No	Yes	Yes
Member fixed effects	No	No	No	Yes	No	No	No	Yes
R^2	0.331	0.339	0.357	0.402	0.113	0.113	0.123	0.134
N	3523	3523	3523	3523	45987	45987	45987	45987

Robust standard errors clustered by legislator in parentheses. Significance tests are two-tailed. * p<0.1, ** p<0.05, *** p<0.01.

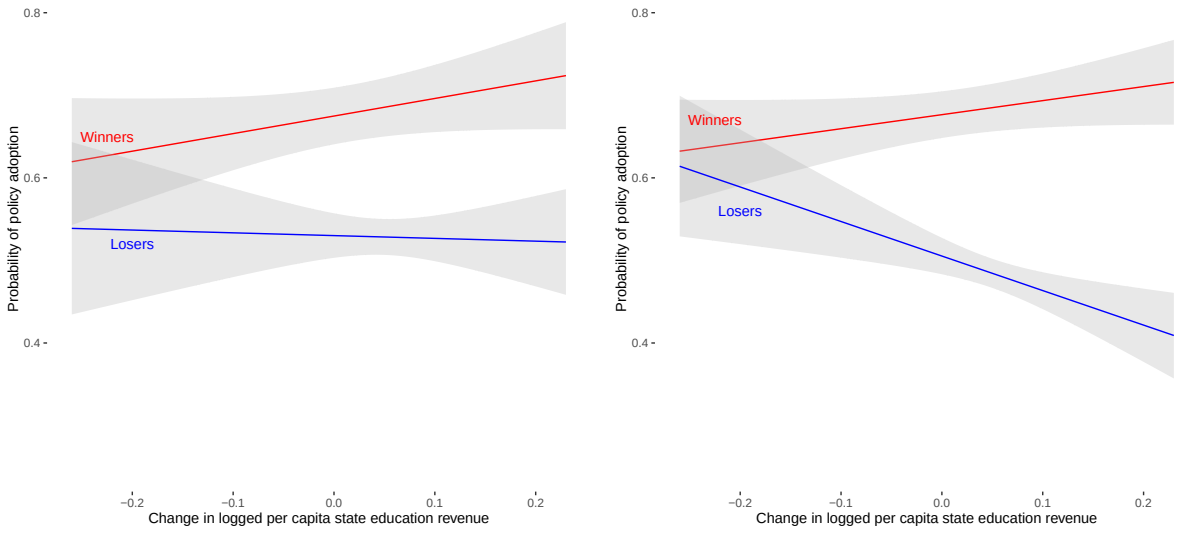
Figures

Figure 1: RttT Winners, Applicants, and Non-Applicants



States in green won any round of the competition; blue states applied but never won; red states never applied. Alaska, not shown, never applied to the competition, while Hawaii applied and won in the second round.

Figure 2: Predicted Probabilities of Policy Adoption by Change in Education Revenue



(a) Expensive policies

(b) Cheap policies

Figure 3: Partisan Composition of Pro-RttT Votes, by Bill/Year

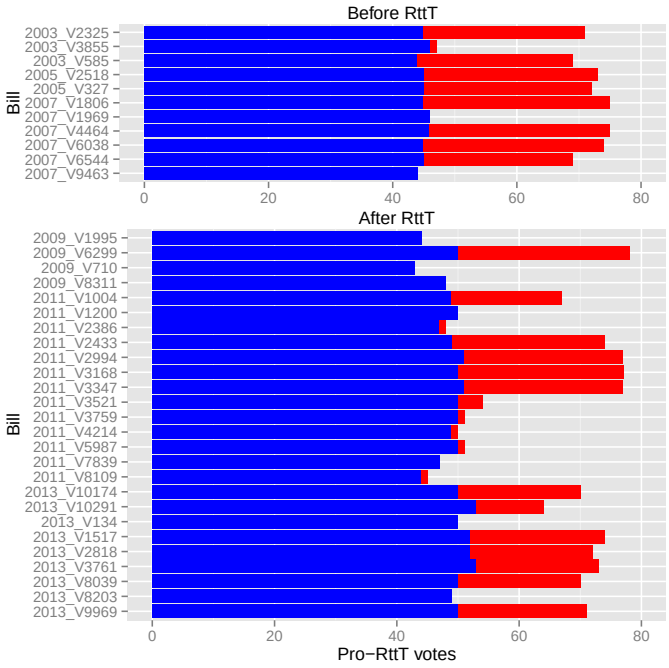
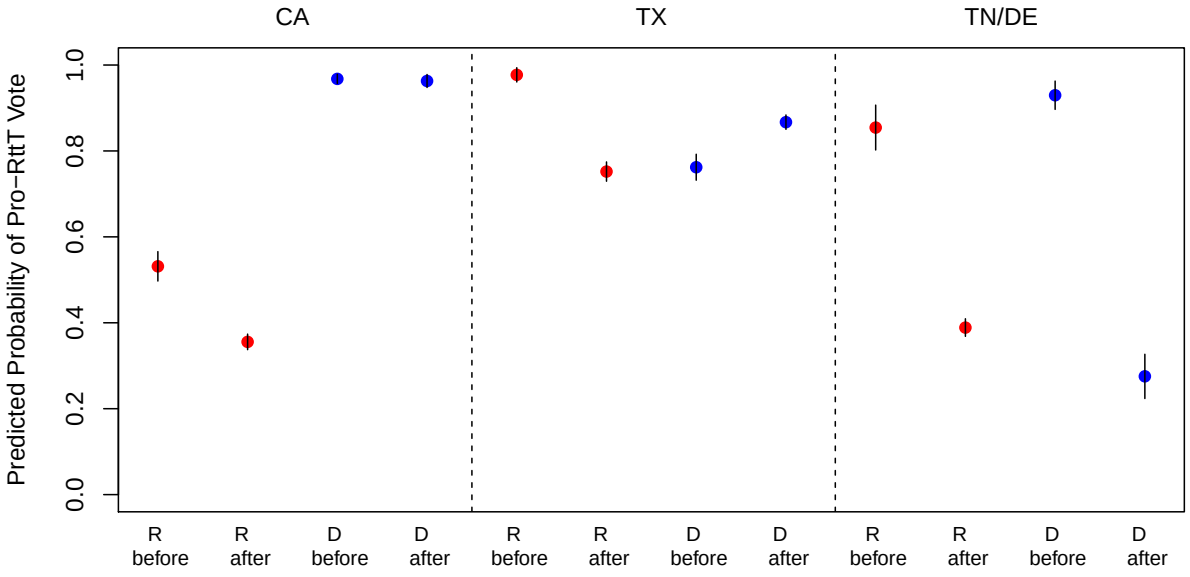


Figure 4: Predicted Probability of Pro-RttT Vote by State



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