



School Reform News

WELCOME
NEW READERS!
SEE PAGE 2

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THE MONTHLY NEWSPAPER FOR SCHOOL REFORMERS

Vol 9 No 6 JUNE 2005

Hispanic Parents Rally for School Choice in Texas

by Krista Kafer

On April 5, the Texas State Capitol in Austin served as a school choice forum for several hundred Hispanic parents, gathered there in a show of strength for the movement and to testify on behalf of three bills being debated in the state House of Representatives.

"When you give parents a choice, you give children a chance," Gov. Rick Perry (R) told the crowd, reminding them their legislators were listening and that they had his support. The rally was organized by the Hispanic Council for Reform and Educational Options (Hispanic CREO), a parental choice advocacy group created to give

RALLY p. 18

Polls Show Solid Support for School Choice

by George A. Clowes

Despite the efforts of teacher unions and their allies to portray voucher supporters as extremists whose ideas are out of touch with mainstream America, the results of recent public opinion polls taken in three different states show solid support for parental choice proposals among voters in Arizona, Texas, and Indiana.

In Arizona, support for school choice is overwhelming, with more than nine of

POLLS p. 9

Ohio House OKs Statewide Voucher Plan

by Lisa Snell

Building on the success of the 10-year-old Cleveland Scholarship and Tutoring Program, the Ohio House of Representatives on April 12 approved legislation to create a new statewide scholarship program.

The expanded school choice program, known as the Educational Choice Scholarship Program, was on its way to

OHIO p. 4

Parents Pummeled by South Carolina Legislators



Students in South Carolina were denied school choice by state legislators who voted to table a bill proposing tax credits and vouchers. The state's SAT scores are among the worst in the nation.

by Karla Dial

Democratic legislators in South Carolina slapped high-fives outside the state House of Representatives chamber May 4, celebrating a 60-53 vote to table a bill proposing tax credits and vouchers to give parents choices on where to send their children to school.

By tabling the bill—a version of

the "Put Parents in Charge Act" proposed last year by Gov. Mark Sanford (R)—the legislators essentially killed it for the rest of the 2005 session.

Opponents cited a fiscal impact report in condemning as too costly the idea of creating tax credits for private school tuition. In mid-April, the state Board of Economic Advisors estimated the proposal

could cost up to \$231 million in state revenue over the next five years.

The revised bill, however, proposed May 4 by Reps. Shirley Hinson (R-Goose Creek) and Jim Merrill (R-Daniel Island), aimed to correct that problem by giving only students in failing schools in the state's 85 districts the option of

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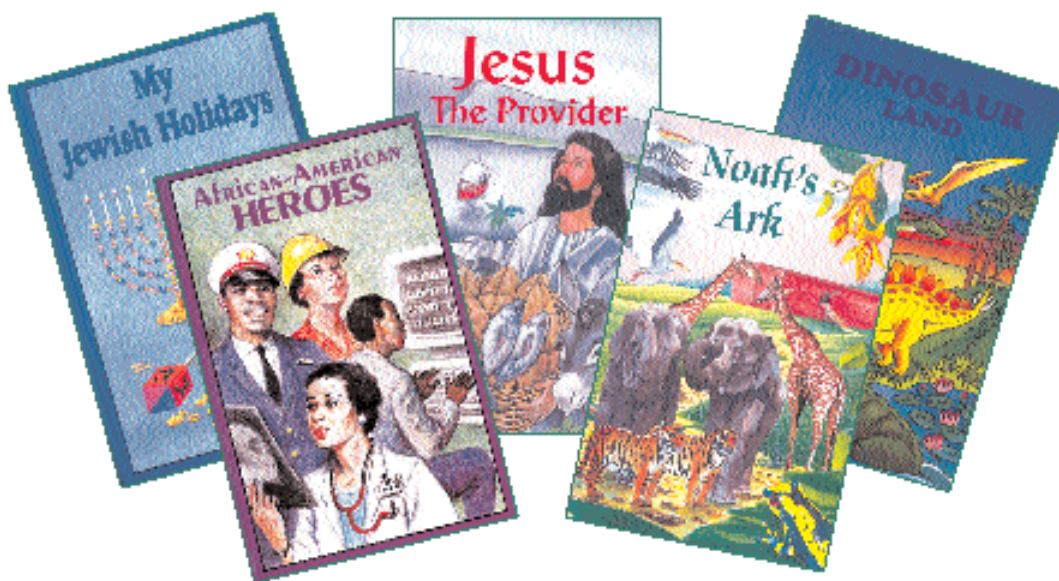


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WELCOME, NEW READERS!



by Karla Dial

If this is your first issue of *School Reform News*, you are probably one of the 29,900 mayors, city council members, public school board presidents, and private school principals added to the complimentary mailing list for *School Reform News*. Our total circulation now stands at 72,000.

School Reform News is a one-stop shop for the latest developments on Capitol Hill, in the states, and in individual cities where reform has been implemented or may soon be.

Who should care about school reform? In a word, everyone.

A good education is the key to a successful and productive life. Yet the international Organization for Economic Cooperation and Development reports American students are lagging far behind those in other industrialized nations in reading and math skills. The nation's colleges report incoming freshmen are woefully unprepared for rigorous university courses, and the nation's business leaders report new graduates are as badly prepared for the realities of the workplace.

Educators of all stripes agree we have a problem that only a fundamental reform will solve. How to *achieve* that reform is a far more contentious matter. That's where *School Reform News* comes in.

This is your paper of record for the growing national movement for school reform, particularly reforms that involve parental choice: vouchers, tax credits, charters, and homeschooling. We report on cutting-edge research and timely developments while delivering high-quality opinion pieces from some of the top minds in the field. And our feature stories will help you get to know some of the movement's movers and shakers.

A large and growing amount of objective evidence shows the following:

Choice is good for students and their parents. Multiple independent studies of voucher programs nationwide have shown school choice improves students' performance on standardized tests, and no studies have shown a negative relationship between choice and academic achievement.

Choice is good for public schools. Despite fears of private school vouchers draining funds away from public schools, studies have shown the opposite to be true: Vouchers leave more money on the table for public schools to use to educate fewer students. Also, studies have shown public schools that must compete for students on playing fields leveled by vouchers improve their performance, resulting in better education for all students.

Choice is good politics. Polls reveal the majority of Americans, regardless of their race, party affiliation, or income level, support school choice. Studies show choice results in classrooms more racially integrated than those in most public schools. The U.S. Supreme Court has ruled school choice programs in Cleveland and Minnesota are constitutional, and well-designed voucher programs satisfy the First Amendment.

So, once again, welcome to *School Reform News*, and thanks for reading. If you have questions or suggestions for stories you'd like to see covered in future issues, please feel free to drop me a line—I'm here for you. Enjoy!

Sincerely,

Karla Dial

Managing Editor
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CAPITOL HILL BEAT

Sparks Fly over Revelations of Scandals in Head Start Program

by Robert Holland

Head Start or "No Start"? It's been more of the latter in recent years on Capitol Hill, at least in the sense of being able to muster bipartisan agreement on terms for Head Start's reauthorization. In recent months, leading Republican and Democratic congressmen have argued over how deeply financial mismanagement taints the program, and what to do about it.



Rep. Mike Castle

That's a big change from the program's glory days. Created 40 years ago as part of President Lyndon Johnson's ambitious "war on poverty," Head Start drew praise and support from leading politicians of both parties. The idea was to give preschool children from low-income homes an array of medical, developmental, and educational services to help them achieve equal footing with more privileged children, and give community organizations federal grants to make this happen.

But despite the fact that Head Start's annual spending now approaches \$7 billion, the program's value for the 910,000 toddlers it serves remains hotly debated.

Financial Mismanagement Alleged

President George W. Bush has urged Congress to reauthorize Head Start in a way that beefs up its academic components. He and his congressional

allies also want to coordinate Head Start with successful state early childhood programs and start giving governors a share of control.

Democrats prefer to preserve the program's basic structure, alleging Bush's plan is merely a scheme to dismantle it. Meanwhile, the teacher unions—notably the National Education Association—are taking a more aggressive approach, calling for "optional free, publicly funded, quality 'universal' pre-kindergarten programs for all three- and four-year-old children whose parents choose to enroll them."

In 2003, the Republican-controlled House of Representatives approved a Head Start reauthorization bill, dubbed "The School Readiness Act," along the lines of the devolution Bush sought. The vote was 217-216, without a single Democrat voting "aye." The Senate Education Committee passed a wholly different version that never saw floor action, and the partisan battles were left to be re-fought.

In 2005, the debate's focus has shifted from Head Start's academic impact (or lack of it) to allegations of financial mismanagement in some local programs. Setting the stage was a March 18 report by the nonpartisan Government Accountability Office (GAO) that warned flaws in the Head Start financial control system make it fail to protect against scams that cheat poor children and taxpayers alike.

Abuses Discovered

The Administration for Children and Families (ACF), a division of the U.S. Department of Health and Human Services, is supposed to oversee Head Start grantees. Yet the GAO reported Head Start grantees the ACF judged out of compliance in 2000 were "about as likely to remain out of compliance as attain full compliance over the succeeding 3 years. ... ACF's failure to ensure that more grantees promptly resolve such problems creates opportunities for financial losses or instability that affect services to children and families."

Soon after the GAO report became public, House Education Chairman John Boehner (R-OH) and Education Reform Subcommittee Chairman Mike Castle (R-DE) turned up the heat by jointly releasing a document summarizing media reports of actual finan-



cial abuse in Head Start programs from 2003 to 2005. Some of the most glaring examples:

■ In Kansas City, the executive in charge of Head Start drew an annual salary of more than \$300,000 and drove a luxury sport-utility vehicle leased in part with federal funds meant to help disadvantaged preschoolers.

■ In Maryland, the Head Start director in Gardenville was indicted on charges of stealing \$355,777 from the organization over a four-year period.

■ In Lubbock, Texas, the former director of the Community Action Council pled guilty to using federal money, intended for Head Start children, to operate a Mexican restaurant in San Angelo. The U.S. Department of Justice said the director had embezzled more than \$805,000 over two years by operating several schemes to divert Head Start funds.

Dismissed as Bad Apples

"The reality is that some bad actors are putting a bad light on the good programs that exist nationwide," Castle said, "and for the benefit of the program and all who take part in it, it is important to institute reform to ensure Head Start can continue to serve all needy children in the way it is supposed to."

At a House Education Committee hearing in April, the top-ranking Democrat, George Miller of California, had a different take. He said he was "disappointed" by Republicans using Head Start management and accountability issues to cover "their real agenda, which is to dismantle Head Start as we know it."

Miller said the federal government must ferret out fraud and waste, but that the proper tools to do that with Head Start are already in place, needing only "to be better implemented."

Robert Holland (Rholl176@aol.com) is a senior fellow at the Lexington Institute.



Rep. John Boehner

More than 1,000 Celebrate Fourth Anniversary of Pennsylvania Tax Credit

by Andrew LeFevre

On what turned out to be a stunningly beautiful day, more than 1,000 parents and children joined state legislators at Pennsylvania's Capitol in Harrisburg on May 10 to celebrate the fourth anniversary of the state's landmark Educational Improvement Tax Credit Program (EITC).

Signed into law in 2001 by former Pennsylvania Gov. Tom Ridge (R), the EITC provides tax credits ranging from 75 percent to 90 percent to companies contributing to nonprofit scholarship, educational improvement, and pre-kindergarten scholarship organizations. Nearly \$27 million is allocated annually for scholarships, a little more than \$13 million for innovative programs in public schools, and \$5 million for pre-K scholarships.

Funding Has Increased

In the 2004-05 school year, the EITC program helped fund more than 25,000 scholarships and countless educational improvement programs in Pennsylvania's public schools. To date, more than 2,200 Pennsylvania businesses have participated in the EITC program, contributing more than \$140 million to create private school scholarships and to help establish innovative public school programs.

"This program continues to prove a productive and popular way to bring opportunity to kids and confidence to parents with respect to the educational process," state Senate President Pro

Tempore Bob Jubelirer (R-Altoona), one of the EITC's supporters, told the crowd at the capitol. "It affords businesses a constructive avenue for contributing in a meaningful fashion. An enhanced education system is instrumental in building stronger communities."



"The business community's investment in the EITC has enabled tens of thousands of children to receive a quality education and to have a chance for productive and fulfilling lives."

PAUL HENKELS, CHAIRMAN
REACH ALLIANCE

In its first two years, the EITC was capped at \$30 million—\$20 million for scholarships and \$10 million for public school improvement programs. In response to overwhelming demand, however, in 2003 the Pennsylvania General Assembly increased funding by \$10 million, doubled the maximum tax credit from \$100,000 to \$200,000, and created a similar program for pre-K scholarships.

Interest Outstrips Caps

Thanks to the EITC, Pennsylvania currently has more than 165 scholarship, 230 educational improvement, and 50



Pennsylvania state legislators gathered at the State Capitol in Harrisburg to mark the fourth anniversary of the state's Educational Improvement Tax Credit Program.

pre-K scholarship organizations. The cap on the scholarship portion of the EITC program was reached in 70 days last year; the educational improvement portion was reached in one day. A new round of funding will begin on July 1, when the state's new fiscal year begins.

"For so many years we fought to empower parents and came excruciatingly close," said Paul Henkels, chairman of the REACH Alliance, a school choice advocacy organization in Pennsylvania. "To finally get over the goal line and see children going to good schools is very satisfying. The business community's investment in the EITC has enabled tens of thousands of children to receive a quality education and to have a chance for productive and fulfilling lives."

The REACH Alliance plans to lobby for expanding the EITC program this year in order to allow more businesses to participate. During the 2004-05 school year, more than 100 businesses that wished to participate in the EITC program were unable to do so because the tax cap had already been reached. If the program is expanded, more businesses will be able to participate, creating more opportunities for children to receive scholarships and for additional innovative educational programs to be provided in the state's public schools.

Andrew LeFevre (alefevre@paschoolchoice.org) is executive director of the REACH Alliance and REACH Foundation in Pennsylvania.

Ohio

Continued from page 1

"[T]he Ohio House of Representatives created a new statewide scholarship program when it passed the state budget on April 12. ... It would allow as many as 18,000 children in 30 school districts ... to attend the school of their parents' choosing."

the state Senate for approval as this issue of *School Reform News* went to press. It would allow as many as 18,000 children in 30 school districts the state deems to be on "academic watch" or "academic emergency" to receive scholarships to attend the school of their parents' choosing.

Under the new rules, the state would provide \$4,000 to private elementary

schools for each voucher participant, \$4,500 to middle schools, and \$5,000 to high schools. The scholarship amount will increase annually with the Consumer Price Index. Currently, students in 34 "academic watch" school districts and several charter schools across the state qualify for the program.

In addition, the Cleveland scholarship program would be expanded to provide vouchers for high school juniors and seniors, and its funding would increase to \$20.5 million by 2007. Approximately 5,000 Cleveland students received vouchers to attend 45 private schools in the 2003-04 academic year. The U.S. Supreme Court ruled the program—one of the first of its kind in the nation—constitutional in 2002.



Clint Bolick

Paving the Way Clint Bolick, president and general counsel of the Phoenix-based Alliance for School Choice, which lobbies for school choice programs nationwide,

praised Ohio State Rep. Dixie Allen (D-Dayton) for proposing the program-expansion bill.

"The success of the Cleveland school choice program in opening doors of opportunity to disadvantaged schoolchildren has provided inspiration for a major expansion of school choice in Ohio," he said in a statement released April 13.



Gov. Bob Taft

The House voucher proposal dramatically increases Gov. Bob Taft's (R) proposal to increase funding for the state's voucher program by \$9 million and offer vouchers to approximately 2,600 children. To qualify for Taft's proposed program, children from kindergarten through eighth grade would have to attend a school that failed to meet state test standards in reading and math for three years. Under Taft's plan, students at 70 Ohio elementary and middle schools would be eligible for scholarships based on

state test scores.

The House version also differs from Taft's plan in terms of the financial impact on public schools. Taft's voucher proposal would have subsidized tuition out of a new \$9 million state account, not out of local school district funds. The House version calls for money to be deducted from local district coffers.

In High Demand

Rep. Dixie Allen of Dayton, the only Democrat to vote for the budget with the voucher proposal, told the *Beacon Journal* on April 18 that there is a need for more parental choice in Dayton.

Allen said, "there is a privately funded voucher program in Dayton now. Last year, 600 children received vouchers, and there was a waiting list of more than 1,100."

The Senate was scheduled to weigh in on the voucher proposal before May 31. A balanced budget was to be presented to Taft for signing by June 30.

Lisa Snell (lsnell@reason.org) is education director at the Reason Foundation.

D.C. Scholarship Program Passes First Evaluation

by Kate McGreevy

Increasing numbers of students and parents in the District of Columbia are taking advantage of the nation's first federally funded scholarship program, according to an independent evaluation released April 5 by the U.S. Department of Education.

In 2004-05, more than 1,000 students enrolled in 58 private schools through the D.C. Opportunity Scholarship Program, created by the D.C. School Choice Incentive Act of 2003. Applications are up for 2005-06, with about two students applying for each available scholarship; approximately 85 percent of the applicants currently attend public schools.

The landmark legislation, resulting from cooperation between the Bush administration and D.C. Mayor Anthony Williams, was passed in January 2004. The Washington Scholarship Fund (WSF) was charged with implementing the program in just a few short months.

Getting Off the Ground

WSF President Sally Sachar is encouraged by the fact that 75 percent of the students awarded scholarships ended up using them for the full academic year.

"We are extremely pleased that the fam-

ilies of so many children want to take advantage of this great opportunity to choose a school that otherwise would most likely not be an option for them."

The D.C. Scholarship Program offers eligible students up to \$7,500 for tuition, school fees, and transportation. Students must reside in the District of Columbia, and their families must have incomes at or below 185 percent of the federal poverty line. Participating private schools must be located in the District and meet program requirements related to accountability and nondiscrimination.

Studying Results

The legislation requires a rigorous, independent evaluation of the program annually. The Department of Education awarded the contract to independent evaluators from Georgetown and Westat—a private statistical researching firm in Rockville, Maryland—who collaborated to assess the program's effectiveness in several areas, including student performance and the program's effect on the traditional public school model.

Significant findings from the first year are limited in terms of performance and long-term impact, but descriptively rich:



D.C. Mayor Anthony Williams, former U.S. Secretary of Education Rod Paige, Dr. Paul Vance, and Ms. Manning join Manning's third-grade class for a group photo, June 9, 2003.

- 53 percent of the District's private schools participated in the choice program; 51 percent of those were Catholic;
- the average family income for all applicants was \$18,742;
- participating private schools were more racially diverse and boasted better teacher-to-student ratios than their public school counterparts;
- 72 percent of applicants came from public schools, and they received 84 percent of the scholarships awarded;
- the program was oversubscribed in grades 6-8, and severely oversubscribed at the high school level; thus, a lottery determined recipients at those levels; and,
- all students who applied from schools

deemed "in need of improvement" under the No Child Left Behind Act received scholarships.

Serving Students

Sachar was encouraged by the fact that more students from "schools in need of improvement" (SINI) are being served by the program.

"There are several factors that contributed to an increase in the number of applicants from SINI schools this year," Sachar said, such as better communication between those schools and students and their parents through mailings and community events. "Further, the number of SINI schools rose significantly this year, which created a larger pool of possible applicants from these schools.

"We are extremely pleased that the families of so many children want to take advantage of this great opportunity to choose a school that otherwise would most likely not be an option for them."

**SALLY SACHAR, PRESIDENT
WASHINGTON SCHOLARSHIP FUND**

"We have very positive relationships with the D.C. State Education Office and the mayor's office, which enabled us to communicate to D.C. public school families about a range of educational options," Sachar continued. "We also had much more time this year to reach out to potentially eligible families, including those whose children attend the lowest-performing schools. Finally, we were able to raise private dollars to support a comprehensive outreach program to D.C. families."

Kate McGreevy (mcgreevy@gmail.com) is a freelance education writer from Indiana and formerly worked with the Cesar Chavez Public Charter High School for Public Policy in Washington, DC.

INTERNET INFO

The U.S. Department of Education's full report on the D.C. Scholarship Program is available online at <http://www.ed.gov/rschstat/eval/choice/dcchoicewayone/index.html>.

For more information on the Washington Scholarship Fund, go to <http://www.washingtonscholarshipfund.org>.

Maine, Florida Poised for Rulings on School Choice

by Kate McGreevy

Eight Maine families are awaiting a written opinion from the state supreme court following their latest school choice appeal, argued on March 24. Meanwhile, the Florida Supreme Court was scheduled to hear oral arguments on the constitutionality of the state's Opportunity Scholarship program on June 7.

Representing school choice advocates in both states is the Washington, DC-based Institute for Justice (IJ), the nation's leading school choice advocacy organization. Richard Komer, a senior IJ attorney representing the families in Maine, said similar issues affect both states.

"In both Maine and Florida, what is at stake is whether parents will be allowed to exercise a full range of choice of schools for their children," he said, "or whether those choices will be limited by excluding their ability to select religious schools, often the best and most convenient schools for many families."

Maine's History of Choice

Since 1873, Maine's students have benefitted from the state's "town tuitioning program," which functions much like vouchers: Students from rural areas without public high schools are given tuition toward a public or private school of their choosing.

In 1980, the state attorney general declared the program a violation of the U.S. Constitution's establishment clause, and the legislature codified that decision a year later. Since then, the state has barred "tuitioned" students from attending religious schools.

But in 2002, the U.S. Supreme Court set's decision in *Zelman v. Simmons-Harris* affirmed the constitutionality of the Cleveland voucher program—which allows parents to choose religious schools for their children.

With that, IJ lawyers asked Maine's courts to overturn the 1981 law preventing students from attending religious schools. Last October, the Cumberland County Superior Court upheld the state's restriction in *Anderson v. Town of Durham*. IJ appealed the ruling, and the case is now pending before the state supreme court.

"Maine excluded the choice of religious schools in 1980 because it thought the establishment clause required it to do so, and the Maine Supreme Court affirmed that conclusion in 1998," Komer said. "*Zelman* now renders that 1998 affirmation wrong, but Maine

refuses to return the statute to its pre-1980 form."

Currently, 17,000 students from Maine's small towns are using vouchers to attend public and secular private schools.

Florida Breaks New Ground

On June 7, the Florida Supreme Court will hear oral arguments defending one of the state's three voucher programs. Florida was the first state in the nation to approve statewide vouchers: the Opportunity Scholarship program, which has allowed 753 students attending chronically failing schools to choose better schools since 1999; McKay Scholarship vouchers, which have given 14,937 disabled children school choice for the same period of time; and the Florida Corporate Income Tax Credit

"In both Maine and Florida, what is at stake is whether parents will be allowed to exercise a full range of choice of schools for their children, or whether those choices will be limited by excluding their ability to select religious schools."

**RICHARD KOMER, ATTORNEY
INSTITUTE FOR JUSTICE**

Scholarship Program, enacted in 2001.

"If the Florida Supreme Court decides it is unconstitutional to allow Opportunity Scholarship families to choose religious schools, the entire program could be struck down and a number of similar Florida aid programs that include both religious and non-religious options will be in jeopardy," Komer explained.

"Because many states have religion language similar to that found in the Florida Constitution, an adverse decision there could encourage other state supreme courts to follow suit," he said. "Conversely, a victory for choice in Florida would help us in those other states in defending religiously neutral choice programs."

Kate McGreevy (mcgreevy@gmail.com) is a freelance education writer from Indiana and formerly worked with the Cesar Chavez Public Charter High School for Public Policy in Washington, DC.

New Jersey, Maryland Need School Choice, Studies Show

by Greg McConnell

If high per-pupil spending and widespread underachievement are two of the qualities that make a school system an ideal testing ground for vouchers, then Paterson, New Jersey and Baltimore, Maryland are two prime candidates, according to a pair of recently released studies.

State Control of Schools Has Failed to Help Paterson, New Jersey Children: Why Not Choice Instead? by Don Soifer and Robert Holland of the Lexington Institute, and *A School Voucher Program for Baltimore City* by Dan Lips of the Maryland Public Policy Institute show how vouchers could help solve problems in the two towns.

Underserved Minorities

In 1988, New Jersey became the first state to authorize its department of education to take control of failing local schools, Soifer and Holland note. Currently, the state is managing three school districts: Jersey City (since 1989), Paterson (since 1991), and Newark (since 1995). They are three districts that Derrell Bradford, deputy director of New Jersey's Excellent Education for Everyone (E3), describes as a collective "train wreck."

"School choice in Baltimore is a way to provide hope to not only the parents and students, but also educators who don't have hope."

**LEON TUCKER, DIRECTOR OF COMMUNICATIONS
BLACK ALLIANCE FOR EDUCATIONAL OPTIONS**

"The people who run it know it's a business," Bradford said of the government schools. "It's a hugely unaccountable business that gets bigger and bigger and more powerful at the expense of the people who ultimately fund it and the kids."

In Paterson, the school district is 55 percent Hispanic, 37 percent African-American, 5 percent white, and 2 percent Asian. "Well over half of Hispanic students in many Paterson public schools are failing to reach proficiency in English and math, as shown by testing required by the federal No Child Left Behind Act (NCLB)," the authors write.

Being run by the state apparently hasn't helped Paterson's students. The authors note, "while the state standard as part of the No Child Left Behind Act is for 68 percent of students to test at or above proficiency, only a little more than one-third of black children [in Paterson] reached that mark."

Easy Diplomas

High school graduation rates also were found to be lagging in Paterson. At East Side High School, the 2003 graduation rate was 58.5 percent—30 points below the state average.

The graduation rate in Paterson, as well

as in the other state-controlled school districts, is even worse than the study indicates, Bradford said, thanks to New Jersey's alternative diploma program, known as the Special Review Assessment (SRA).

If a student fails the state high school proficiency exam three times, he or she can take the much-easier SRA exam to get a diploma, Bradford said. Forty-two percent of one Paterson high school's graduating class obtained their diplomas through the SRA.

Soifer thought school choice would work particularly well in Paterson because per-pupil spending is already high (\$12,603 in 2002-03, 10 percent above the state average) and because of its proximity to nearby public school districts as well as a diverse selection of nearby private schools.

Baltimore's Choice

In March 1996, Baltimore Mayor Kurt L. Schmoke called for "dramatic" reform in the Baltimore school system and formed a task force to study "widespread choice among public schools or offering vouchers for private schools."

Eight months later, the task force issued its final report. While its recommendations fell short of calling for private school vouchers, it did call for public school choice and legislation to create charter schools that would operate independently of Baltimore's school board, according to Lips' study.

Almost nine years later, no action has been taken on the Schmoke task force recommendations. Parents still have "no real school choice" in Baltimore, Lips concludes.

The study identified the Baltimore school system's student academic achievement as its "first and most acute" problem.

"The sad reality is that by the time a student reaches the tenth grade, he or she is only half as likely to be proficient in reading on the [Maryland State Assessment] if he or she lives in Baltimore City versus Baltimore County or elsewhere in the state," Lips writes.

Poor Education

Baltimore is the nation's 17th largest city overall and has the seventh largest black population, said Leon Tucker, director of communications at the Black Alliance for Educational Options.

"I think it's a much different conversation when you look at some of the demographics of Baltimore, and when you talk about the level of crisis in the city, you can't have this discussion without looking at the fact that the Baltimore school system is overwhelmingly black," he said.

"Baltimore never did a good job of educating black children," Tucker pointed out. "It was just never a priority."

The study links Baltimore's low adult literacy rate, low workforce participation, large low-income population, and declining overall population to the inadequacies of its public school system.



Looking to Cleveland

"Policymakers considering implementing a school voucher program for Baltimore should look to the long-running programs in Cleveland and Milwaukee, and the pilot program that began in Washington, DC in 2004 as useful examples," Lips wrote.

"A growing body of research also suggests that school choice programs have a positive impact on student achievement," Lips noted. "For example, a study conducted by researchers from Harvard and Georgetown universities and the University of Wisconsin released in 2001

found that African-American students receiving private scholarships in Ohio, New York, and Washington, DC scored significantly higher than their peers who remained in public schools."

Tucker agrees with Lips that vouchers could help turn life around for Baltimore students over the next decade.

"School choice in Baltimore is a way to provide hope to not only the parents and students," Tucker said, "but also educators who don't have hope."

Greg McConnell (gjmc@yahoo.com) is a freelance writer in Palatine, Illinois.

INTERNET INFO

The Lexington Institute's March 2005 study on Paterson's state-controlled school district is available online at <http://www.lexingtoninstitute.org/docs/527.pdf>.

For more information on the Maryland Public Policy Institute's voucher proposal for Baltimore's public school system, see <http://www.mdpolicy.org/research/education/BaltimoreVoucherStudy.pdf>.

Public Schools' "Sacred Charge"

Editor's note: Dana Rone, vice president of the Newark Public School Board, testified before the New Jersey Assembly Budget Committee on March 24 that although the state is spending increasing amounts of tax dollars on public education, the children enrolled in its schools aren't benefitting. The following are excerpts from her comments.

"Despite nearly flat enrollment, our district's budget request has increased nearly \$200 million to almost \$900 million [since last March]. The average teacher salary in Newark has risen from approximately \$67,000 to more than \$77,000 this year. Our per-pupil [spending] has increased from \$14,920 to \$15,796. ...

"[However,] our students score drastically lower on the National Assessment of Educational Progress exam than one would expect, essentially scoring at half the level they do on the state's assessments. This is significantly lower than results from many states that spend far less per pupil than we do here in New Jersey.

"Even as Newark's Chad Science High School, a nationally recognized example of the heights to which African-American children can excel, will close its doors this fall for lack of

"[W]e continue to pour money into buildings where education does not happen, futures are broken, and lives are lost."

**DANA RONE, VICE PRESIDENT
NEWARK PUBLIC SCHOOL BOARD**

funding, more parochial schools continue to close in the cities of Trenton and Newark, and violence continues to escalate in the city of Camden, we continue to pour money into buildings where education does not happen, futures are broken, and lives are lost.

"Nothing short of competition, and the accountability to parents generated by it, will ensure that our children are educated, that the investment of non-Abbott taxpayers is supported and justified, and that our public schools deliver on their sacred charge, and their primary duty: student achievement."

INTERNET INFO

The full text of Dana Rone's March 24, 2005, testimony before the Assembly Budget Committee is available online at <http://www.nie3.org/articles/ronetestimony.pdf>.

Vouchers Better than NCLB Accountability

Voucher plans do more to spur improvements in public schools than NCLB rules, study finds

by Robert Holland

A new study by two Harvard University scholars concludes the vouchers offered under Gov. Jeb Bush's (R) A+ Accountability Plan in Florida are spurring gains in student achievement.

This marks the third time in five years researchers have found public schools respond to the threat of vouchers by launching internal improvements that help children improve their performance. The most recent study, released in late March, came with an added twist: It favorably compared Florida's reformist use of school choice with the limited public school choice approach currently backed by the federal government.

Researchers Martin R. West and Paul E. Peterson of the Program on Education Policy and Governance at Harvard's John F. Kennedy School of Government found Florida's vouchers have been more effective than the choice provisions of the federal No Child Left Behind Act (NCLB) in bringing about test score improvements.

"An accountability system that identifies problems with many schools, while giving few sanctions or incentives to improve, appears unlikely to be of much consequence," they wrote. "All in all, the Florida A+ plan seems better tailored to the particulars of that state than NCLB has been thus far."

"Examining public records ... [veteran journalist Carol] Innerst found many school districts with 'F' or 'D' schools had reacted with 'a sense of urgency and zeal for reform' to avoid losing students and money."

Failing Schools Show Improvement

Under A+, Florida students become eligible for vouchers to transfer to a private school if their public schools receive an "F" on accountability measures twice in a four-year period.

West and Peterson found Florida's fourth- and fifth-graders made modest but significant gains in math and reading when their schools were in imminent peril of losing students to vouchers. Students in schools that received their initial "F" in 2002 scored from 4 to 5 percent of a standard deviation higher the following year than did students in "D" schools, which did not face

an imminent voucher threat.

The stigma of publicly receiving a low grade seemed to provide some reform impetus to "D" schools as well. Their students improved by 5 percent of a standard deviation relative to students in "C" schools.

"Only 8 percent of all schools in the state were given a 'D,' so the stigma was readily apparent," West said in a news release accompanying the study. "It appears that the schools are very capable of moving forward when faced with a clear challenge—either receiving a very low grade or when faced with a voucher threat."

Results Confirmed Repeatedly

The first study of A+ was done by veteran journalist Carol Innerst in 2000, just a year after the voucher program began. Examining public records the Institute for Justice had assembled in defending A+ from a legal challenge, Innerst found many school districts with "F" or "D" schools had reacted with "a sense of urgency and zeal for reform" to avoid losing students and money.

For instance, she found school officials were switching to proven methods such as teacher-directed instruction, phonics for beginning reading, and tutoring in the late afternoons and on Saturdays.

In 2001, a Manhattan Institute study by Jay P. Greene established that Florida's voucher program was having a clear-cut, positive effect on student achievement. Schools that had received a failing grade from the state and thus were in danger of having vouchers kick in if they received a second "F" achieved test score gains more than twice as large as those recorded at other schools.

In 2002, NCLB took effect nationwide. Under NCLB, schools that fail to make adequate yearly progress (AYP) toward a state-set level of academic proficiency for two consecutive years are found to be "in need of improvement," and their students are supposed to be given a choice of a better-performing public school in the same school district. But Peterson and West found Florida schools subjected to this public school choice threat under NCLB showed no improvements in student achievement.

A+ Better than NCLB

Peterson sees at least two reasons school choice is more of a force under A+ than under NCLB:

■ Almost 75 percent of Florida's schools failed to meet AYP in 2003. (Under NCLB, each state determines AYP according to its own standards. AYP

rates vary greatly among the states.) By contrast, only 2 percent of Florida schools received an "F" under the state's accountability system in 2002, while 8 percent received a "D." Under NCLB, the "sky-high failure rates can undermine the accountability threat. When everyone is criticized, no one is going to take the criticism seriously," Peterson said.

■ NCLB's school choice provisions are too anemic to provoke much of a response from public schools in need of improvement. Fewer than 1 percent of students eligible to transfer from one public school to another under NCLB accountability are doing so, Peterson noted. Some critics have accused public school bureaucracies of foot-dragging in informing parents of their right to transfer their children.

NCLB choice extends only to public schools within a student's school district, and some districts may not have enough high-performing public schools from which to choose.

West and Peterson stress their study looks only at how NCLB choice operates in Florida and does not gauge how that provision is working in other states or the impact NCLB is having overall. But the showing of vouchers' positive effect on student achievement in Florida could have an impact when NCLB comes before Congress for renewal.

Robert Holland (holland@lexingtoninstitute.org) is a senior fellow at the Lexington Institute, a think tank in Arlington, Virginia.

INTERNET INFO

The Harvard study by Martin West and Paul Peterson, "The Efficacy of Choice Threats Within School Accountability Systems: Results From Legislatively Induced Experiments," is available online at <http://www.ksg.harvard.edu/pepg/>.

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Polls

Continued from page 1

10 (91.4 percent) likely voters surveyed in late March saying they favored one or more of the five school choice proposals considered by the legislature this spring. Almost two-thirds (65.6 percent) declared themselves “strongly” in favor of one or more of the proposals.

“In spite of the misinformation propagated by opponents, school choice resonates deeply with the Arizona public, and they have spoken with their support of every single school choice proposal before the Arizona legislature this session,” Clint Bolick, president and general counsel of the Phoenix-based Alliance for School Choice, said in a statement released by the Milton and Rose D. Friedman Foundation on April 8.

The survey, conducted on 602 likely Arizona voters by Margaret Kenski of Arizona Opinion, found respondents identified K-12 education as the most important issue the government should address by more than a 2-1 margin, with 40.9 percent of respondents choosing K-12 education over health care (16.9 percent), crime/drugs (14.6 percent), rapid growth (9.6 percent), higher education (7.1 percent), and other issues. The survey was sponsored by the Friedman Foundation and released jointly in April with the Goldwater Institute and Alliance for School Choice.

Support Grows with Information

When asked about improving public education by allowing parents to use some of a school district’s tax dollars to help them send their children to the public, private, or religious school of their choice, a majority of voters (51.7 percent) favored the parental choice option, versus 45.5 percent who did not. The school choice approach was particularly favored among the 18-29 age group (65.3 percent) and Hispanics (63.8 percent).

After hearing about five specific proposals being considered by the Arizona legislature this spring—two tax credit scholarship bills and three voucher bills—support for school choice jumped sharply, with 71.4 percent of respondents favorably disposed toward at least one of the three voucher proposals, and 91.4 percent supporting one or more of the five proposals.

Universal Choice Preferred

Respondents indicated a preference for universal parental choice programs that would expand school choice for all parents over programs targeting specific groups such as low-income, special-needs, or underperforming students.

“The data show that the current efforts to expand educational options in Arizona are wildly popular,” said Robert C. Enlow, executive director of the Friedman Foundation. “These results, which fall in line with numerous other surveys around the country, clearly show that Arizonans want greater educational freedom.”

The survey also showed voters were more likely to support candidates who advocated school choice. For state legislative candidates, 38.9 percent of voters said they would be more likely to support a school choice advocate, versus 21.3 percent who said they would be less likely. For gubernatorial candidates, the figures were 39 percent more likely versus 23.6 percent less likely.

“These results give policymakers a clear picture of the depth of support for school choice,” said Darcy Olsen, president and CEO of the Goldwater Institute.

Most Texas Hispanics Want Choice

In a late February-early March poll of about 1,000 Hispanic voters in five Texas counties, more than 70 percent of respondents favored a statewide school choice program, with 75.8 percent supporting a pilot program that would allow students in the state’s largest inner-city school districts to enroll at a private school with tuition paid by a taxpayer-funded voucher. Cities in the five counties included Austin, Dallas, Fort

Worth, Houston, and San Antonio.

The poll, conducted for the Hispanic Council for Reform and Educational Options (CREO) by the state’s leading Democratic survey research firm, Montgomery and Associates, also found the pilot voucher proposal was favored by three-quarters (75.6 percent) of Hispanic Democrats.

“When 76 percent of Democrats favor school choice, it’s time for our elected officials in Austin to listen to their constituents and to implement a pilot program,” said Marcela Garcini, Texas parent coordinator for Hispanic CREO.

Rebeca Nieves Huffman, president and CEO of Hispanic CREO, described the poll results as “stunning,” particularly in light of the frequent characterization of the voucher movement as “right-wing” and “Republican.”

Support Crosses Party Boundaries

Additional findings from the survey include:

- Respondents strongly favored school choice for targeted populations such as special-education students (88 percent support), low-income children (83.5 percent support), children who are victims of at-school violence (83 percent support), and dropouts (63 percent support).

- 66 percent of respondents said the overall quality of education received by low-income, inner-city Latinos in Texas public schools was either fair or poor.

- 35.8 percent of respondents believe Texas public school teachers have lower expectations for inner-city Hispanic students than they do for other students.

“Hispanics enthusiastically support school choice, regardless of their political party affiliation,” said Huffman, noting also that for poll numbers to approach 90 percent “is almost unheard of.”

“This poll shows the pent-up demand for school choice and the depth of its support,” Huffman added.

Majority of Hoosiers Back Vouchers

This April, while Indiana House Republicans were joining Democrats to

block passage of a voucher bill, the *Indianapolis Star* released a poll showing a majority of Hoosiers (55 percent) favored the idea of the state giving families access to tax dollars to help them transfer their children from failing public schools to the school of their choice, be it public, private, or parochial.

The voucher plan would have targeted families that make less than \$66,000 a year and whose public schools had failed to meet Adequate Yearly Progress goals under the No Child Left Behind Act for three consecutive years. Those families would be eligible to receive a \$3,000 scholarship, or voucher, per child to use for tuition at a private school.

A parallel plan would have provided tax credits of up to \$3,000 a year for parents who already send their children to private schools. The bill was amended in the House to reduce the available credit to just \$1,000 a year.

Other poll findings included:

- Support for school choice was stronger in younger respondents, with two-thirds of respondents under age 35 supporting school vouchers, compared to only 39 percent of respondents aged 65 or older.

- Catholics supported school vouchers more than Protestants (61 percent compared to 54 percent).

- Republicans supported school vouchers more than Democrats (58 percent compared to 48 percent).

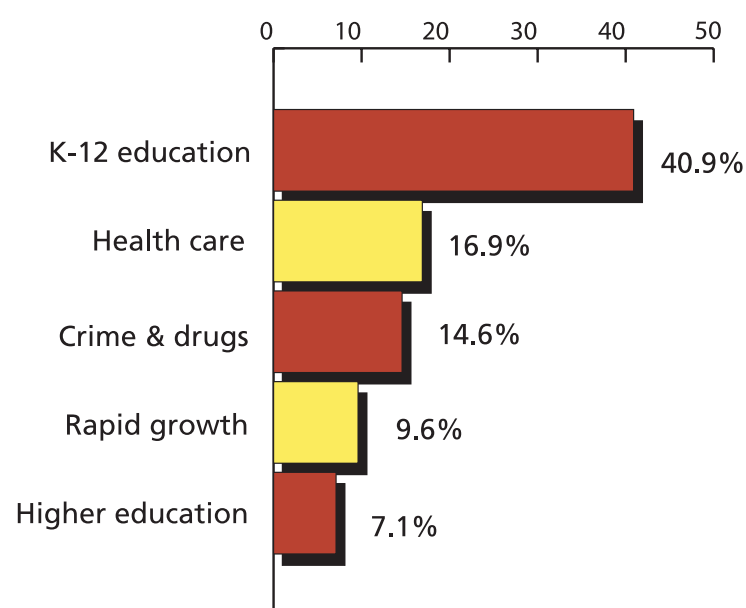
The poll was conducted in late March by Selzer & Co. of Des Moines, Iowa for the *Star* and WTHR-TV Channel 13 using a sample of 1,003 Hoosiers.

George A. Clowes (clowesga@aol.com) is associate editor of School Reform News.

INTERNET INFO

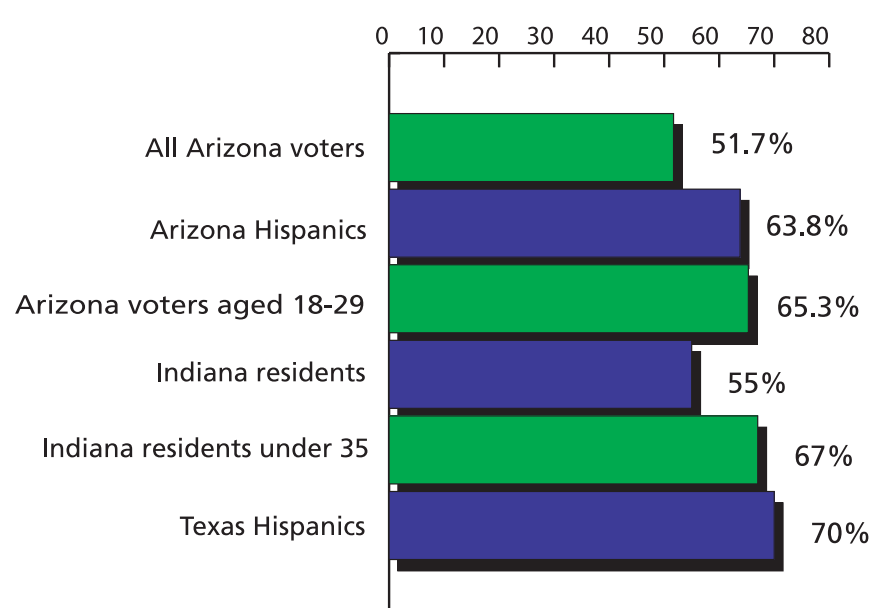
The Arizona survey is available online at <http://www.friedmanfoundation.org/AZpoll.pdf>.

Education the Most Important Issue to Arizona Voters



Source: 2005 Arizona poll
The Milton and Rose D. Friedman Foundation

Strong Support for School Choice



Source: 2005 polls in Arizona, Indiana, and Texas

School Choice Improves Public School Funding

by Robert C. Enlow

One of the most controversial aspects of school vouchers and education tax credits is their potential effect on public school finances. On one side, critics charge vouchers will “drain much-needed resources from our public schools,” as Rep. Henry Waxman (D-CA) put it in remarks reported by *The Washington Post*. Since schools are mostly funded on a per-student basis, fewer students in public schools means less money in school budgets.

On the other side, choice supporters point to a growing body of research that finds exactly the opposite: Voucher and tax credit programs are a financial benefit to public schools.

Critics also talk as though their charges have been vindicated by fiscal studies. “Vouchers have been shown time and again to drain dollars from public schools,” Anne Bryant, executive director of the National School Boards Association, told the Associated Press last year. But what the research in fact shows is that enacting school choice would give the public school system exactly what it wants: more money to educate each student.

Schools Retain Excess Funds

Opponents claim school choice drains money from public schools so often that one may wonder how the opposite could possibly be true. The answer is simple: In a typical choice program, the amount of money spent on each participant is less than what would have been spent on that student if he or she had remained in a local public school. The excess funds can be plowed back into public school budgets and spent on the students who remain in public schools.

For example, a study by Susan Aud of the Milton and Rose D. Friedman Foundation and Vicki Murray of the Goldwater Institute revealed Arizona spends between \$8,500 and \$9,000 on each student in public schools. Under a proposal floated earlier this year that would have allowed students to use tax-funded private school scholarships worth up to \$3,500 for K-8 students and \$4,500 for high school students, the state would save thousands of dollars for each student who left a public school. The authors projected total savings of \$32 million if 5 percent of Arizona students used scholarships.

In another study sponsored by the



Shannon Woisnet, daughter of Dave Woisnet of Cleveland, Ohio shows her support for school choice outside the U.S. Supreme Court in Washington, DC on February 20, 2002.

Friedman Foundation, this one of a proposed voucher program in Minneapolis, Erica Maas found the city's public

Choice Programs Highly Economical
Even generous school choice programs almost never spend as much as their pub-

\$8,900 on each public school student. The report's author, Dan Lips, projects \$9 million in annual savings for every 1,000 enrollees. (See “New Jersey, Maryland Need School Choice, Studies Show,” page 6.) Because voucher and tax credit programs provide fewer taxpayer funds for choice students than public school students receive, school choice saves state governments money.

“When students leave via school choice programs, public schools benefit more from the reduction in their costs than they lose from the reduction in their funding.”

schools spend \$13,600 per student. Since the proposed voucher program would provide only \$4,600 per student, the savings to state and local education budgets would be quite large. Maas projects more than \$16 million in annual savings by the sixth year of the program if the maximum 5,000 students were to enroll.

lic school counterparts do. A joint study of the potential savings of a voucher program in Baltimore City, conducted by the Maryland Public Policy Institute and the Friedman Foundation, revealed that even a \$7,000 per-student voucher, plus a generous 10 percent allowance for program administration, would save the city's public schools money, since the city spends

Local Funding Remains
Do those savings in fact benefit public schools? You might think they would end up in the hands of state legislatures, which might choose to use them for purposes other than education. But in fact, because of the way school finance is set up, a large proportion of the windfall pours directly into local public school budgets.

CONTINUED at right

Projected Savings With School Choice Proposals

Location	Public School Cost (per student)	Proposed School Choice Cost (per student)	Total School Choice Savings
Baltimore	\$8,900	\$7,000	\$9 million per year (before fixed costs)
Minneapolis	\$13,600	\$4,600	\$16 million per year (before fixed costs)
New Hampshire	\$8,100	\$3,390	\$9 million per year (after fixed costs)
New Mexico	\$8,500	\$1,750 (average)	\$63 million over 10 years (after fixed costs)
South Carolina	\$8,300	\$4,000-\$4,600	\$594 million over five years (after fixed costs)
Utah	\$6,500	\$2,000	\$26-\$144 million per year (after fixed costs)

compiled by Robert C. Enlow

CONTINUED from left

While school districts typically get most of their budgets from state governments, a substantial portion comes from local taxes. This local funding, unlike state funding, isn't provided to school districts on a per-student basis. The amount of local funding doesn't change when enrollment changes; the pie stays the same size no matter how many kids are getting slices. When enrollment increases, public schools have fewer dollars per student, and when enrollment



"[P]rivate schools offer not only an opportunity to give kids a better education, but also to save money that can be plowed back into the public school system."

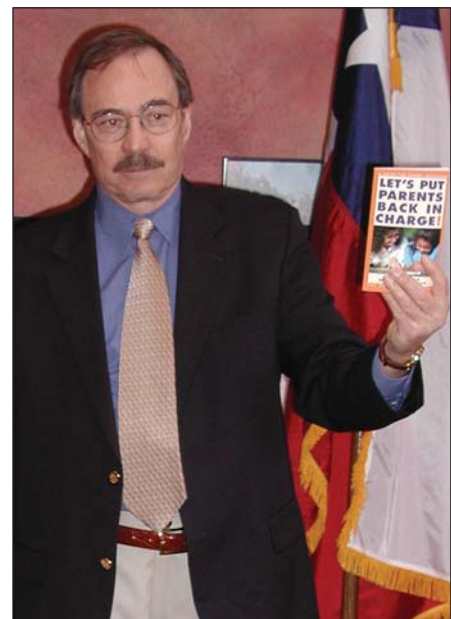
falls they have more dollars per student.

When a student uses a state-funded scholarship or tax credit to move from public school to private school, the local school district loses one student's worth of state funding. But under most school choice plans, it continues to receive the same amount of local funding as before. Given that it has one fewer student to educate, its funding per student has gone up.

In Arizona, Aud and Murray found, of the \$8,500 to \$9,000 Arizona spends annually on each student (depending on grade level), between \$4,200 and \$4,600 comes from the state (again depending on grade level) and the rest from local taxes. That means every time a student leaves through school choice, the school district retains about half the funding associated with that student.

Fixed Costs Still Covered

When confronted with numbers such as these, the most common response of school choice critics is that the figures



State Rep. Kent Grusendorf, chairman of the Public Education Committee of the Texas House of Representatives, addressed an April event hosted by the Austin CEO Foundation. He's holding a copy of Heartland's *Let's Put Parents Back in Charge!*



Robert C. Enlow discusses school choice at a recent meeting of State Policy Network.

don't account for costs that don't vary much with enrollment levels, such as building maintenance. But recent studies show schools' fixed costs aren't nearly big enough to cancel out the huge savings from school choice.

Cotton Lindsay of Clemson University found that even after accounting for fixed costs, a proposed tax credit program for South Carolina (offering \$4,000 to \$4,600, compared to public spending of \$8,300) would save \$594 million over its first five years.

In a Utah State University study, Roberta Hertzberg and Chris Fawson examined a tax credit proposal for private school scholarships in Utah. They found the program would save between \$26 million and \$144 million every year, even after accounting for schools' fixed costs.

Two Friedman Foundation studies by Senior Fellow Brian Gottlob confirm those findings. Gottlob found tax credit scholarships in New Mexico would save \$63 million over 10 years. In a study cosponsored by the Josiah Bartlett Center for Public Policy, he found a proposed voucher program in New Hampshire would save \$9 million annually.

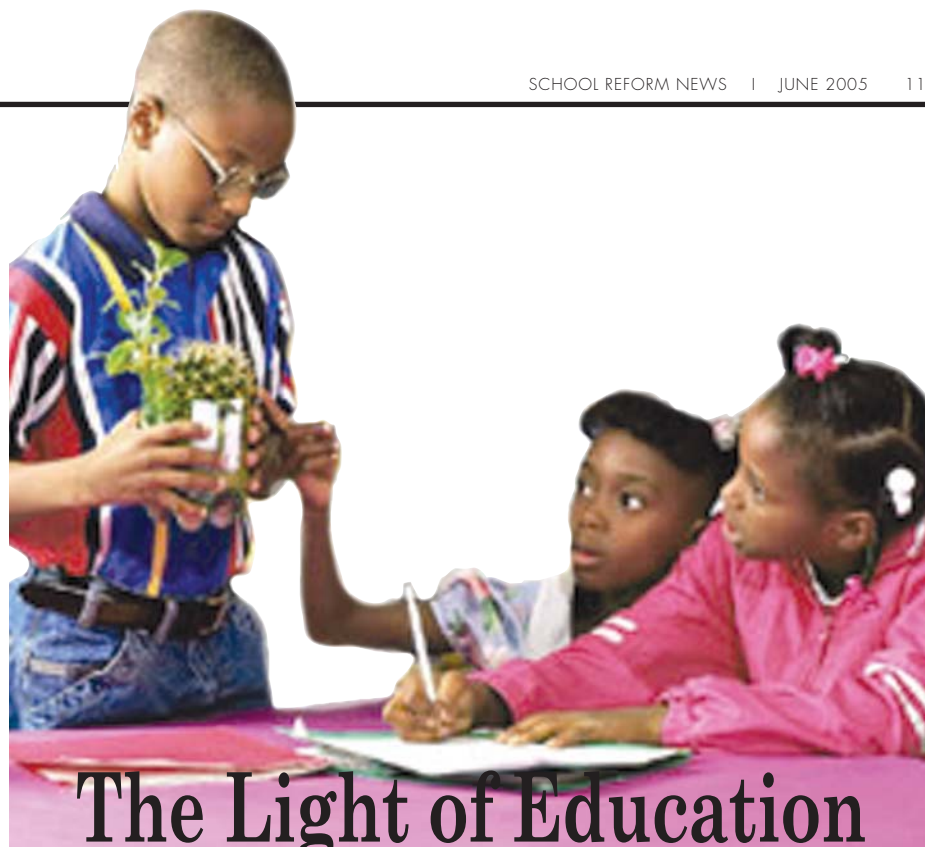
Public Schools Keep the Money

"Because the state aid associated with each student migrating from public to independent schools is lower than the variable cost of educating each student in the public schools," Gottlob wrote in the New Mexico study, "the migration of students to private schools will not financially harm school districts."

Translation: When students leave via school choice programs, public schools benefit more from the reduction in their costs than they lose from the reduction in their funding. The state and the local schools save money, regardless of the fixed costs associated with educating a child.

It's well known that private schools do a better job on smaller budgets than public schools do. Thanks to the efficiency that only a free market can provide, private schools offer not only an opportunity to give kids a better education, but also to save money that can be plowed back into the public school system.

Robert C. Enlow is executive director of the Milton and Rose D. Friedman Foundation.



The Light of Education

by M. Royce Van Tassell

There wasn't much money or structure in Faye Capers' home life while she was growing up in the projects of Texarkana, Texas in the 1950s.

Both her parents were alcoholics, and they didn't have a high school education between them. But they did one thing right: They made sure Capers and her



"The longer she has taught, Capers says now, the more she understands how individualized education needs to be."

two sisters never missed a day of school.

It was her teachers that made the difference in Faye Capers' life, caring not only for her education, but also for her. "That's where the light came from," she says today. "That's where my structure came from."

Shedding Light

That light is now being shed through Capers to nearly 50 students in South Carolina. Two years ago, after a 25-year career teaching in public and private schools, she founded the academy that bears her name: the Capers Preparatory Christian Academy (CPCA) on Jones Island. The school opened its doors to just 12 students in grades 1 through 5; today, 43 first- through ninth-graders cram into a leased suite, while another 25 are on the waiting list.

In founding CPCA, Capers knew she couldn't help every student. But like her own teachers, she was determined to help those who needed it. And if that meant a little extra something from her ... well, that was fine. That's what she does, because that's what her teachers did for her.

It was Capers' teachers who inspired her to get out of bed when she was their student, and over the next three decades their inspiration helped her earn a bachelor's degree, two masters degrees, and an Ed.S. She will receive her Ph.D. in educational leadership this fall.

Long Road

After high school, Capers' teachers helped her get a scholarship to a small college in Dallas. Four years later she had a B.A. in business and moved to South Carolina, where she worked in an accounting office.

But Capers knew she wanted to instill the same light in children as her teachers had instilled in her. So she enrolled in an education program and began teaching at an elementary school in Charleston in 1979. For the past 25 years, she has taught in various elementary and middle schools throughout the Charleston area.

The longer she has taught, Capers says now, the more she understands how individualized education needs to be. Classroom sizes fluctuate, with no concern for how that fluctuation might affect students. Because bureaucrats and elected officials dictate curriculum in public schools, she and her colleagues had little control over how long they could dwell on a given subject. With all this rigidity, she says, "a child could easily fall through the cracks."

Having spent all that time in the classroom, both as a graduate student and as a schoolteacher, Capers was determined to prove that something could be done to end the academic failure that claims so many students.

Sense of Belonging

When Capers opened CPCA, some of her students were failing in public schools; others struggled with behavior problems. One student had been suspended 27 times before coming to CPCA.

To help identify their needs, each student takes diagnostic tests in reading, writing, and math. For Capers, the most important part of the admission process is the personal interview, where she watches the student's eyes and body language, to see whether he or she really wants to be at CPCA.

"I can help them," she says. "I want someone that wants to be here. They have a choice. And when they come, they know this is where they are wanted."

"And I know this is where they want to be."

Royce van Tassell (royce@edexutah.org) is executive director of Education Excellence Utah.

Mental Health Screening Plan Coming to Illinois

Parents express concern about program's assumptions, reach

by Fran Eaton

A controversial plan to screen all Illinois schoolchildren for mental health problems could become a reality June 30, when Gov. Rod Blagojevich (D) reviews a proposal from the Illinois Children's Mental Health Partnership (ICMHP).

According to the ICMHP, a group of mental health advisors in the state, one of every 10 children in Illinois suffers from a mental illness, such as depression or anxiety, "severe enough to cause some level of impairment." But only 20 percent of the children in need of mental health services ever receive them, the group says.

To address that problem, last summer the ICMHP held public hearings in cities from Chicago to downstate Marion to gather feedback on a preliminary plan to build a "comprehensive children's mental health system" in Illinois. The plan was initiated by a two-year-old law, the Illinois Children's Mental Health Act of 2003.

Creating Uproar

By word of mouth and through the Internet, news of the hearings spread quickly as parents learned more about what was proposed in the ICMHP's prelimi-

nary strategic plan to ensure mental health services are delivered to pregnant women statewide, and to their children from birth through age 18.

While the plan's proposals sounded harmless on the surface, comments during the statewide hearings created a stir, and concerned parents began to voice their disapproval.

The state, they said, is no longer assuming children are mentally healthy—with this program, it will presume all children need mental health services unless tests prove otherwise. That paradigm shift concerns parents who don't believe psychiatric evaluation is an appropriate part of a local public school's mission.

"We're moving toward social training over academic training with this program," said Larry Trainor, a Mt. Prospect resident and parent of four children. "Since psychiatric involvement in education [has increased], SAT scores have gone down for the past few decades. Evaluating mental conditions is not based on scientific evidence—it's subjective."

Religious Conflict

Privacy advocates' and religious groups' concerns grew as they questioned how

the term "mental health" would be defined under the ICMHP plan. Would children's religious beliefs be assessed negatively if they conflict with what the state deems to be "acceptable" answers on tests? If so, would those children be considered in need of mental health care or delayed in their academic progress?

"Therein lies the problem," said Karen Hayes, associate director of Concerned Women for America-Illinois. "Those setting this new system up don't like to admit this, but in order for them to determine what 'mental health' is, they need to define what 'mental illness' is. That's where they get into dangerous territory."

Proponents say the program is not defining "mental health." It is simply making sure assistance is available to those who need services most.

"Our biggest concern is that all children and expectant mothers have access to good mental health care," ICMHP Director Barbara Shaw said. "We have no intention of setting up a mandatory system of screening. We just want the 20 percent of children who need mental health care to get what they need."

Legislative Consensus

Mental health programs and services should be available and accessible to all Illinois children, whether they are toddlers struggling to master basic developmental tasks or adolescents experiencing feelings of depression, and to



Since the plan reaches out to "all children" and "all expectant mothers," Bellock wants to refocus and limit the plan's potential intrusion by sponsoring new legislation that will require families to opt into the school mental health screening programs, rather than having to opt out.

"The reason I sponsored the legislation in 2003 was that I am very concerned about children who are in the juvenile justice system or are already in the foster care system," Bellock said. "We can't help but wonder how these problems might have been avoided if they were detected early enough."

Admitting she was unable to attend most of the task force meetings, Bellock said she had no idea the final proposal would be expanded so far.

Coming Soon

That far-reaching system is already being put into place: By the end of 2004, the ISBE had incorporated social and emotional developmental measures into the Illinois Learning Standards.

While the state's current fiscal crisis may prevent the plan from being fully implemented as soon as it's presented to Blagojevich at the end of June, some aspects will be initiated this year. Most funding for the plan will follow children deemed in need of assistance through federal health care programs such as Medicaid and Kidcare.

Fran Eaton (featon@unitedrepublican.com) is a freelance journalist in Chicago who covers Illinois politics.

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"While the plan's proposals sounded harmless on the surface, comments during the statewide hearings created a stir, and concerned parents began to voice their disapproval."

adults adjusting to the demands of parenthood, the ICMHP wrote in its Preliminary Strategic Plan, submitted to Blagojevich last September.

The Illinois Children's Mental Health Act of 2003, which focuses on early intervention and prevention of mental health problems, calls for a plan to link the state Office of Mental Health with the Department of Public Aid, the Illinois State Board of Education (ISBE), and every school district statewide. Under the law, a final plan to do so must be on the governor's desk by June 30.

Sponsored by State Sen. Maggie Crotty (D-Oak Forest) and Reps. Julie Hamos (D-Chicago), Patti Bellock (R-Westmont), and Beth Coulson (R-Glenview), the act breezed through both chambers with only one opposing vote.

Extended Reach

But Bellock, one of the original bill's cosponsors, now says the law went much further than she intended.

Education Savings Accounts Could Expand School Choice

by Vicki Murray

For many Americans, the most important investment the government can make on their behalf—one that dictates much of the course of their lives—is the money spent to give them a quality education. But maximizing that investment can be a problem. A Goldwater Institute study to be released this summer, written by Senior Fellow Dan Lips—“Education Savings Accounts: A New Vehicle to School Choice”—suggests a solution.

Instead of directing education dollars to school districts, Lips suggests the state or federal government could deposit that money into education savings accounts (ESAs), so parents could purchase an education for their children at the school of their choice and take control of the \$500 billion currently being spent on public K-12 education.

Using Arizona as his model, Lips explains how a state-level ESA could be implemented given the existing public school finance structure.

Like many states, Arizona has an equalized system, meaning all students are entitled to receive the same amount of base formula funding, averaging about \$4,400 per student.

Parents of a child eligible to enroll in a local public school could inform the state of their intent to opt out of the public school system. The state would then transfer the money that would have been spent

on that student into an ESA so the parents could send their child to a private school.

Allowing Choices

Fifty years ago, Milton Friedman launched the modern school choice movement with his essay, “The Role of Government in Education,” proposing a parent-directed system of school vouchers.

“Friedman’s idea is now becoming a reality, with millions of Americans using charter schools, scholarship programs, and

“[Education Savings Accounts] would increase competition, encourage education entrepreneurs to enter the marketplace, promote personal saving, and help control education costs by giving parents a direct incentive to use their education dollars wisely.”

tuition tax credits,” Lips explained, but he noted “many parents still do not have the

power to choose their children’s schools.”

Because private school tuition is about half the usual public school expenditure, ESAs would give parents more choices about where to send their children to school. Public school districts would continue to receive the same amount of non-formula funding, spread over fewer students, meaning the state and local districts could realize savings of about \$4,300 for every student who opts out of the public school system.

Converting Federal Programs

The basic concept of ESAs for state governments—converting basic state aid payments into ESA funding grants—is less applicable to the federal government because the disaggregated amounts would likely be small.

According to President George W. Bush’s 2005 budget request, submitted to Congress last year, the U.S. Department of Education spends approximately \$39 billion on K-12 education programs each year, filtered through 20 program categories. (See table.)

If all federal spending on elementary and secondary education were distributed equally to the approximately 28 million children participating in the free- and reduced-price school lunch program, each child would receive an ESA grant of approximately \$475 per year. If all Elementary and Secondary Education Act (ESEA) funding, excluding the \$12 billion spent on special education, were distributed to those 28 million low-income students, each child would receive approximately \$950 in his or her ESA account.

The federal government could use ESAs to encourage families to save for their children’s education. Currently, individuals may open special accounts, called Coverdell Education Savings Accounts (Coverdell ESAs), on behalf of anyone under the age of 18 to help pay for education expenses such as private elementary, secondary, or college tuition. To be eligible to open ESAs, individuals must earn less than \$110,000 annually (\$220,000 for joint filers); they can contribute up to \$2,000 annually per child. Coverdell ESAs grow tax-free and, if used for qualified education expenses, withdrawn funds are also tax-free.

A federal ESA program could build on this framework by making contributions tax-deductible. The amount of revenue

foregone could be offset by funds currently used for federal education programs. Increasing the annual \$2,000-per-student cap could encourage more contributions.

To help low-income families, the federal government could match the first \$1,000 a low-income family deposits into a child’s ESA. The match provision could be phased out based on family size and income level to target assistance to those with the greatest need

Expanding Ownership

Like other school choice programs, ESAs would increase competition, encourage education entrepreneurs to enter the marketplace, promote personal saving, and help control education costs by giving parents a direct incentive to use their education dollars wisely.

ESAs could be an important step in transforming America into a true ownership society and closing one of the great national divides between those who have savings and those who do not. By having a savings account, however modest, low-income parents would have a vested interest in the stewardship of their children’s education resources ... and in the economy that determines the rate at which those resources grow.

Vicki Murray, Ph.D. (vmurray@goldwaterinstitute.org) is director of the Goldwater Institute Center for Educational Opportunity in Phoenix.

U.S. Department of Education Department Budget by Major Program President’s 2005 Budget Request Elementary and Secondary Education

Program	Amount (1)
ESEA Title I Grants (2)	\$13,342,309,000
Reading First	1,257,000,000
Striving Readers	100,000,000
Impact Aid	1,229,527,000
Improving Teacher Quality State Grants	2,930,126,000
Mathematics and Science Partnership	269,115,000
Educational Technology State Grants	691,841,000
21st Century Community Learning Centers	999,070,000
State Assessments	410,000,000
Indian Education	120,856,000
Credit Enhancement for Charter School Facilities	100,000,000
Choice Incentive Fund	50,000,000
Adjunct Teacher Corps Initiative	40,000,000
Military Families Initiative	10,000,000
Safe and Drug Free Schools Initiative	440,000,000
English Language Acquisition	681,215,000
Special Education	12,176,101,000
Vocational and Technical Education	1,012,000,000
Adult Education	590,233,000
Other	2,229,370,000
Total Elementary and Secondary Education Spending	38,679,671,000

(1) All dollar amounts in fiscal year 2005 dollars.

(2) ESEA = Elementary and Secondary Education Act.

Source: President’s 2005 Budget Request, Historical U.S. Department of Education Budget Tables, available online at: <http://www.ed.gov/about/overview/budget/history/edhistory.pdf>.



INTERNET INFO

Upon its release, Dan Lips’ report, “Education Savings Accounts: A New Vehicle to School Choice,” will be available on the Web site of the Goldwater Institute, <http://www.goldwaterinstitute.org/>.

Violence in Public Schools: A Dirty Secret

Reported decreases in violence may be a matter of under-reporting, not progress

by Neal McCluskey

In March, the public was startled by the news of a horrific shooting spree in Red Lake, Minnesota, where 16-year-old Jeff Wiese killed seven people and wounded at least 13 others at Red Lake High School before taking his own life—the deadliest school shooting since Columbine in 1999.

In mid-April, the sexual assault of a 16-year-old special education student by a group of boys at a high school in Columbus, Ohio, which school officials tried desperately to keep under wraps for more than a month, made headlines across the country. The principal was fired and three assistant principals suspended without pay for failing to report the incident to police; one of the girl's assailants videotaped it.

Just a few weeks later, the parents of 19 Philadelphia elementary school students were shocked to learn their children had been stabbed by an eight-year-old classmate wielding a hypodermic needle and had to wait three hours before receiving medical attention. All had to be tested for HIV, and one student's preliminary results were positive.

Failing to Report Problems

These stories give parents, students, and policymakers cause for concern, and they are just a few examples of a broader school violence problem. Overall violence in U.S. schools, and the government's inability to stop it even when using new initiatives designed specifically for that purpose, is a big issue in school districts across the country.

According to the April 27 issue of *Education Week*, a February report by a Cleveland-based firm, National School Safety and Security Services, found 86 percent of the 758 school officers surveyed said crimes at their schools were under-reported. Seventy-eight percent said they had personally taken weapons from students in the past year.

From reading the news, it would appear violence and danger are constant companions for America's schoolchildren. Though federal reports say school violence has been cut in half over the past decade, some analysts fear that could be because fewer administrators are willing to report the problem, not because violence is actually down.

"For the U.S. Department of Education to tell the American education community and public in general that school crime is declining is misleading," the firm's president, Kenneth S. Trump, told the magazine.

That assessment has been corroborated by several independent journalists around the country. For instance, in April the *Denver Post* examined massive under-reporting of violent incidents in Denver-area schools—under-reporting that occurred despite the presence of a state accountability system designed to identify dangerous schools. The problem in Colorado, and elsewhere, is that

many schools simply do not report violent incidents.

Growing Consensus

"In reality, disclosures of school violence vary wildly from one district to another. Some schools report every punch thrown on the playground. Others did not include assaults that police classified as felonies," *Denver Post* staff writer Doug Oplinger reported.

After comparing police reports with those filed by schools, Oplinger found serious discrepancies. Among the incidents that took place at metro-area schools reporting no violence or fights of any kind last year were a boy who needed staples to close head wounds; a girl who was hospitalized with bruised kidneys; a sexual assault; a knifing; and attacks with a flagpole and a baseball bat.

Between March and April, the *Chicago Tribune* reported on the failure of law enforcement officials in Illinois to consistently notify school districts when convicted juvenile sex offenders enroll in

"Forced assignment to schools and the resulting mismatches and detachment beget boredom and violence and create schools that are unresponsive to parental demands for safer schools."

LISA SNELL, EDUCATION AND CHILD WELFARE DIRECTOR
REASON PUBLIC POLICY INSTITUTE

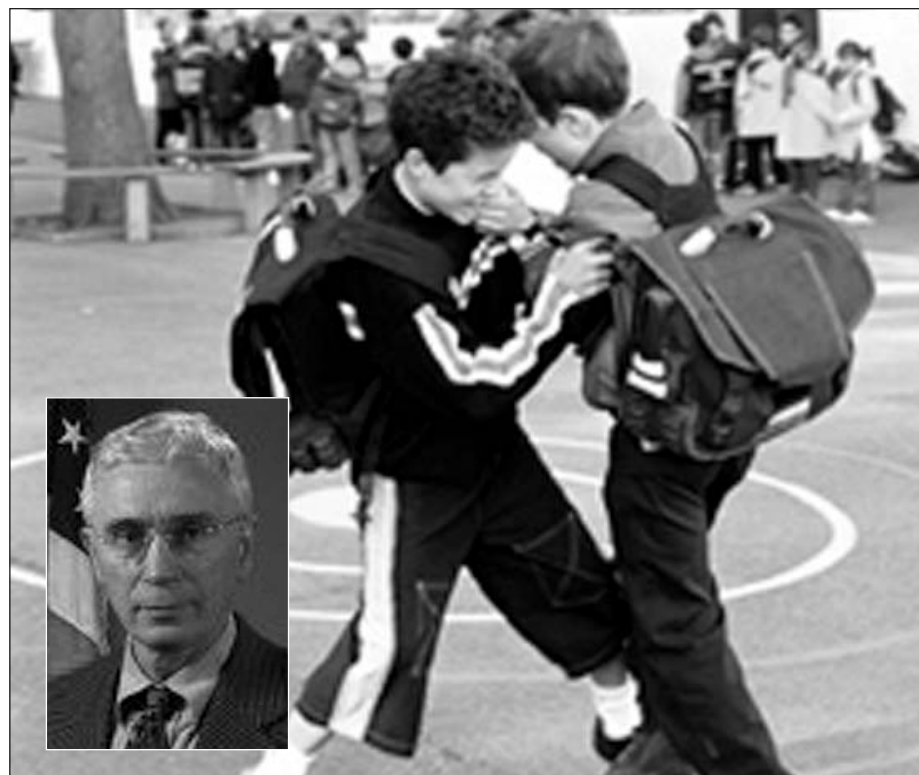
their schools. Many failed to notify principals in the mistaken belief they were not permitted to alert them, when in fact they were required to do so.

In one case reported in the *Tribune*, an East Peoria school wasn't informed that a convicted 16-year-old sex offender had enrolled there until a seven-year-old victim's teenage brother told his mother that the assailant was in his gym class, and the mother told the school.

Fearing the Results

"I'm just one person in Peoria," the mother told the *Tribune*. "If [my son's assailant] fell through, how many other kids are out there that these schools don't know about?"

In *School Violence and No Child Left Behind: Best Practices to Keep Kids Safe*, a January 2005 report from the Reason Public Policy Institute (RPPI), education and child welfare director Lisa Snell examined school violence and the inadequacy of government systems to protect children. Her report focuses in particular on the No Child Left Behind Act (NCLB), which includes provisions enabling students to transfer from "persistently dangerous" public schools to those designat-



Bill Modzeleski (inset), associate assistant deputy secretary of the U.S. Department of Education's Safe and Drug-Free Schools Office, said one of the biggest hurdles NCLB faces is improving state and district data collection with respect to violent incidents.

ed as "safe."

While in theory the idea is a good one, in practice it hasn't worked as intended, according to Snell's report. Few children have gotten the opportunity to leave dangerous schools because "evidence suggests that schools have unreasonable definitions of 'dangerous,' under-report school crime, and do not provide parents with accurate information about school crime," Snell wrote.

Watering Down the Data

When asked how the U.S. Department of Education is working to strengthen the "persistently dangerous" schools provisions of NCLB, Bill Modzeleski, associate assistant deputy secretary of the department's Safe and Drug-Free Schools Office, said one of the biggest hurdles NCLB faces is improving state and district data collection.

When the law was first passed in 2001, states often found some of their districts collected good data on school violence, while others did not. That, Modzeleski said, forced states to define "dangerous" using "lowest common denominator" data.

"Is that the best way of doing things? Probably not," he said. But he added that was the best that could be done with the available data. The department is currently working with states "to boost data collection systems," Modzeleski said.

In her report, Snell offered 10 recommendations for improving public school safety, including better data collection and reporting. Among those solutions, though, was one Modzeleski did not mention: eliminating state and federal restrictions on school choice.

What Works: School Choice

"Forced assignment to schools and the

resulting mismatches and detachment beget boredom and violence and create schools that are unresponsive to parental demands for safer schools," Snell explained.

Echoing Snell's concerns, lack of responsiveness to parents' concerns is fueling a newer school danger: parental violence, like that by the Canton, Texas parent who shot his son's high school football coach this spring over the coach's handling of his son and the team.

In discussing the problem, Annette Lareau, a Temple University sociology professor, said in a March 20 *Philadelphia Inquirer* article, "sometimes, parents are extremely frustrated by what they see as the school's inability to protect their children and the school's lack of attention to the parents' concerns."

Although making NCLB's "persistently dangerous" provisions more rigorous might improve the situation, Snell said districts would still "be able to game it." The only cure, she said, is to let parents choose the schools their children attend and walk away from those that are dangerous.

"I think the right of exit is the only solution," she said.

Neal McCluskey (nmcccluskey@cato.org) is a policy analyst at the Cato Institute's Center for Educational Freedom.

INTERNET INFO

Lisa Snell's report, *School Violence and No Child Left Behind: Best Practices to Keep Kids Safe*, is available online at <http://www.rppi.org/ps330.pdf>.

School Choice a Hot Topic in State Legislatures Nationwide

by Lisa Snell

In state legislatures across the nation, battles over expanding families' access to educational choices continued to rage this spring.

In Arizona, the legislature reached a budget agreement with Gov. Janet Napolitano (D) on May 6 to create corporate income tax credits for organizations that contribute to K-12 scholarship programs, and to eliminate the marriage penalty on individual scholarship donations.



Gov. Janet Napolitano

Napolitano, who has vetoed similar bills in the past, said earlier this year she would deny the legislation unless the legislature agreed to fund all-day kindergarten.

Instead of vetoing the school choice bill, however, as she had already done to a similar bill earlier in the session, Napolitano agreed to an increase in the number of scholarships created by the existing state tax credits, in exchange for legislators dropping a voucher proposal and increasing funding for all-day kindergarten. The school choice provisions will create \$5 million in tax credits beginning in 2006, to provide scholarships for low-income children.

"In Arizona, the legislature reached a budget agreement with Gov. Janet Napolitano (D) on May 6 to create corporate income tax credits for organizations that contribute to K-12 scholarship programs ..."

"Milestone Victory"

"This is a milestone victory for school children in Arizona," Alliance for School Choice President Clint Bolick said in a statement. "The governor and the legislature elevated statesmanship over partisan politics and put the well-being of children before the demands of special interests."

According to a survey sponsored by the Milton and Rose D. Friedman Foundation, 91.4 percent of Arizonans supported one or more of the five school choice proposals pending in the legislature this spring, with 65.6 percent "strongly" in favor of one or more of the programs.

Strides Toward Choice

As *School Reform News* went to press, Texas legislators were considering three

bills that would allow students to transfer to private schools using tax-funded vouchers. Two would authorize vouchers in Dallas and other urban districts; the third would set up a statewide program.



Gov. Rick Perry



Lt. Gov. David Dewhurst



Rep. Tom Craddick

gives Indiana families \$1,000 in tax credits to offset the extra expenses associated with private and home schools.

The plan creates tax credits for families who make less than \$33,000 a year. Those making up to \$66,000 would be eligible within two years. Supporters of the more robust voucher proposal say the \$1,000 tax credit isn't enough to help the poorest children, whose families can't afford to make up the balance of tuition. The revised version of the bill had yet to make its way through both the House and Senate at press time.

In Iowa on April 20, the state House of Representatives passed the School Tuition Organization Tax Credit, which allows individuals to receive a tax credit for donations to a tuition organization, creating scholarships for low-income children to attend the school of their choice. The organizations must give priority for the scholarships to students from families whose incomes are less than 200 percent of the federal poverty level. The bill is currently being considered in a Senate Ways & Means subcommittee.



Gov. Jeb Bush

Bleak Prospects

But in several states, school choice proposals stalled in the legislature.

In Florida, Gov. Jeb Bush's (R) proposal to create a new program

that would offer private school vouchers to students who fail state reading tests appeared stuck in the state Senate. Legislators were hesitant to expand the state voucher program until the Florida Supreme Court has ruled on its constitutionality; oral arguments in that case are scheduled for June 7.

Meanwhile, the state legislature debated a voucher accountability bill to regulate Florida's existing school choice programs. The potential regulations include requiring schools to measure student progress using one of four standard tests, requiring schools to prove fiscal soundness until they are at least three years old, and allowing unscheduled annual visits by a state auditor.

An additional regulation, pertaining to Florida's McKay vouchers for disabled students and corporate tax credit vouchers for low-income students, would prohibit participating private schools from discriminating against students on the basis of religion.

This year, 14,937 children received McKay vouchers, and an additional 11,231 received corporate tax credit vouchers.

A final accountability bill was still pending in the legislature at press time.

Cold Reception up North

In Minnesota, Gov. Tim Pawlenty's (R) \$4 million tax credit scholarship plan to allow 1,500 low-income students in failing schools in Minneapolis and St. Paul to attend private schools ran into snags. The Senate Education Committee voted on April 5 to keep it from moving on to another committee, and the House Education Committee voted to table the House version of the bill on April 3.



Gov. Tim Pawlenty

Similarly, Missouri legislators throttled a bill proposing scholarships for 10,000 children in failing schools, funded by \$40 million in business and individual tax credits, by adding three amendments that made it unfeasible. One would have delayed implementation of the tax credit until after the state's education formula was fully funded, in a state where the economy is so weak that doing so could take several years.

Controversy over Costs, Savings



Gov. Mark Sanford

In a March 2004 report of the South Carolina Policy Council, *Fiscal Impact of the Universal Tax Credit Proposal*, Clemson University economist Cotton Lindsay found the state would save hundreds of millions of dol-

lars in education costs by implementing a tax credit program.

"Public school spending is tied very closely to the number of students in the school—each child who leaves results in immediate cost reductions. The public school no longer has the cost of educating a tuition-tax-credit child, but still keeps all the local and federal dollars that would be spent on that child," Lindsay concluded in the study. "As a result, South Carolina public school districts will have more money each year per student."

A fiscal impact study of the Put Parents in Charge Act by the state Board of Economic Advisors, released in mid-April, claimed paying private school tuition would cost South Carolina as much as \$231 million in revenue in five years.

"Texas legislators were considering three bills that would allow students to transfer to private schools using tax-funded vouchers. Two would authorize vouchers in Dallas and other urban districts; the third would set up a statewide program."

Mixed Results

The South Carolina House committee voted 13-9 on April 18 to let the state Department of Education test-drive tax credits in two school districts for 11 years. One district would be chosen from the top 25 percent by median income and the other would come from the bottom 25 percent.

But on May 4, legislators voted 60-53 to table the bill, effectively killing it for the rest of the legislative session.

A modest plan for 1,200 vouchers for first graders in New Hampshire was dropped in the Senate Finance Committee on April 7 after a dispute over its funding.

Lisa Snell (lsnell@reason.org) is education director at the Reason Foundation.

INTERNET INFO

The report by Cotton M. Lindsay, *Fiscal Impact of the Universal Scholarship Tax Credit Proposal*, published by the South Carolina Policy Council in March 2004, is available online at

<http://www.scpolicycouncil.com/content/FiscalImpact1.doc>.

Lindsay's March 2, 2005 report, *Put Parents in Charge: The Positive Fiscal Impact*, is available online at <http://www.scpolicycouncil.com/marginalcostreport/ppic.pdf>.

Corruption Is Rampant in Public Schools

School choice is a solution to systemic corruption, study says

by Wendy Cloyd

A new study by the Cato Institute takes an in-depth look at allegations of corruption and abuse of assets in the nation's public schools, a system built upon the expectation of public accountability. The proper response to such mismanagement, the study's author says, may be found in providing parents with the opportunity to choose the schools that best meet their children's needs.

In *Corruption in the Public Schools: The Market Is the Answer*, published April 20, author Neal McCluskey (a contributing editor for *School Reform News*) tackled an issue that affects every American in one way or another: public school systems' efficiency and accountability.

It isn't that the government isn't interested in ferreting out corruption in the education system, McCluskey concludes—it's that the system itself has become so encumbered with rules and regulations that it is more difficult for teachers to educate kids, and much easier for criminals to get away with exploiting loopholes for their own financial gain.

"Regulations governing almost everything a school can do have failed to stop fraud, waste, and abuse but have rendered school districts cripplingly inefficient," he writes.

Disturbing Examples

Though McCluskey was careful to point out the corruption isn't universal, it is widespread. He examined hundreds of fraud allegations in his report, ranging from Floridians who misused scholarship money and school vouchers, to New Yorkers hiring at least 25 special-education bus drivers with criminal records, to a Maryland high school giving two A's and an NC (for noncredit) to a student who wasn't even enrolled there. Other reports included school officials embezzling money to buy cars and vacations.

Although per-student spending by public schools has nearly tripled in the past 40 years, students' test scores have continued to decline. While McCluskey admits many factors contributed to that trend, he says the bottom line is that public education is failing students, parents, and teachers alike. In reality, he says, public accountability is largely a myth.

"Public accountability requires that formal rules and regulations be instituted to make sure the people who run and work in the schools know what they can and cannot do and in addition, some sort of apparatus has to be erected to do the watching and enforce the rules and regulations," he explains. "And it's not like the rules and regulations remain static; people will always look for loopholes to commit malfeasance if they are so inclined, or to make their jobs easier.

"When people exploit those loopholes, it precipitates the creation of more rules and regulations to cover what the first rules and regulations missed, typically through standardization of procedures and systems. More bureaucrats

are then needed to monitor the rules and execute school district functions," he continues. "Eventually, the maze of rules and regulations becomes so complicated that it's easy for those who'd do wrong to hide in it, while those who simply want to teach have to struggle mightily to get anything done."

Competition for All

The answer to that structural problem, McCluskey says, is found in models used by successful schools: choice.

When parents and students have choices, he notes, schools must prove themselves in order to maintain enrollments. Though private schools are not free of corruption, choice creates a built-in mechanism for weeding it out. It's called, "I'm taking my business elsewhere," McCluskey notes.

By definition, any school that must attract and keep a student body must make sure it is an effective instrument of education, McCluskey points out, or it will simply shrivel up and fade away, making way for other institutions that can rise to the occasion. School choice makes that happen.

"Choice would provide better accountability because parents would be able to exercise the ultimate sanction: They could pull their kids out of a school that's been ripping them off or doing a poor job of educating their children," McCluskey writes. "Not only would that provide swift justice, it would eliminate the need for cumbersome rules, regulations, and bureaucracies that keep our schools—especially our worst schools—from being able to change."



"Regulations governing almost everything a school can do have failed to stop fraud, waste, and abuse but have rendered school districts cripplingly inefficient."

NEAL MCCLUSKEY
*CORRUPTION IN THE PUBLIC SCHOOLS:
THE MARKET IS THE ANSWER*

Wendy Cloyd (wendy_cloyd@hotmail.com) is a freelance writer based in Colorado Springs.

INTERNET INFO

The full text of *Corruption in the Public Schools: The Market Is the Answer* is available online at http://www.cato.org/pub_display.php?pub_id=3724.

New Source for School Choice Information Launched

by Greg McConnell

A new clearinghouse is offering legislators, activists, and parents online information about ongoing school choice policy debates raging throughout the country.

Launched in April, Choices in Education is The Heritage Foundation's new Web site dedicated to providing the latest school choice news, in-depth research, up-to-date charts and graphs, links to external resources, and a relevant history of the topic in all 50 states.

"Obviously, it can't have absolutely everything, but it really does have a lot of great things on it. I think it will just be a good asset to the movement."

KRISTA KAHER, MANAGER
CHOICES IN EDUCATION

Geared Toward Grassroots

The new site is geared toward people involved in creating school choice policy and at the grassroots, said Krista Kafer, the senior education policy analyst who developed and maintains the site. Kafer is also a frequent contributor to *School Reform News*.

"There are a number of great Web sites out there

that track school choice legislation," Kafer noted. "Where this one is different is that it tracks all of the different kinds of school choice bills and lawsuits" without focusing on any one aspect, such as vouchers, home-schooling, or charter schools. Instead, she said, "it looks at all of these different issues; and then it directs people where to go if they want more information."

State-by-State Information

On the site's main page, there's a "What's Hot" section for the latest school choice news and a "Feature" section that puts the spotlight on a recently released special report. A menu bar includes:

- *In the States*, providing school choice details on all 50 states with a clickable U.S. map that contains a detailed key showing national hot spots;
- *Types of Choice*, defining the many different types of school choice, such as dual enrollment, magnet schools, vouchers, scholarships, tuitioning, contracting, etc.;
- *Charts and Graphs*, providing fodder for visual learners by putting information in charts and graphs;
- *Research*, listing abstracts of school choice studies and links to the full versions;
- *In the Courts*, logging state and federal school choice case rulings and tracking the current ones;
- *Contacts and Links*, providing Web links to and contact information for school choice organizations;
- *Book Reviews*, offering reviews of education-related books; and

■ *History*, visually detailing 135 years of school choice history.

"One of the site's best features that you're just not going to find anywhere else is that it gives the history of school choice in each state," Kafer said, noting she has written a "snapshot" of what's been happening over the past 15 years in each one.

"As Comprehensive as Possible"

While Kafer is responsible for the site's content, the coding and graphical design are done by The Heritage Foundation's Jonathan Butcher and Sami Van Bliet. Kafer explained they've tried to make the site "as comprehensive as possible," adding, "Obviously, it can't have absolutely everything, but it really does have a lot of great things on it."

"I think it will just be a good asset to the movement," she concluded.

Greg McConnell (gjmc@yahoo.com) is a freelance writer in Palatine, Illinois.

INTERNET INFO

Visit the Choices in Education Web site at <http://www.heritage.org/Research/Education/SchoolChoice/schoolchoice.cfm>.

Current Public School Funding Is Unwisely Idolized

by Lisa Snell

Each season of the hugely popular Fox television series *American Idol* starts with a few episodes featuring talent-challenged but very entertaining contestants taking their shot at pop superstardom. Think of William Hung, who earned his 15 minutes of fame by butchering Ricky Martin tunes.

By the end of the season, the program has discarded the less-gifted vocalists and found a new winner—a talented singer with an entire career ahead, chosen through national call-in votes.

While much less entertaining than *American Idol*'s evaluation process, the Bush administration recently conducted a merit-based evaluation of the effectiveness of taxpayer-funded federal education programs. As a result, 48 programs were voted off the taxpayer payroll.

Even with the cuts, Bush plans to spend more than \$56 billion on education in 2006, which means K-12 education funding will

have increased by 51 percent since 2001.

Believe it or not, states have had a difficult time spending their federal increases. Inept bureaucratic budgeting processes at the state and district levels let the funding lapse rather than redirecting the money to local classrooms. At the beginning of 2004, states had \$5.75 billion in unspent federal education funding that had accumulated



"[T]he Bush administration recently conducted a merit-based evaluation of the effectiveness of taxpayer-funded federal education programs. As a result, 48 programs were voted off the taxpayer payroll."

between 2000 and 2003; today, that figure tops \$6 billion.

Unfortunately, while President George W. Bush tries to play the role of brutally honest Simon Cowell, sending programs packing and sticking to his cuts, it is likely Congress will be much more like Paula Abdul, saying words that soothe but mean very little, while keeping ineffective programs alive. The Senate recently added \$5.4 billion in education spending to its budget.

Dial "P" for "Pork"

Congress has a long history of continually funding questionable education programs. The 2005 appropriations bill contained more than 1,200 education pork projects, according to The Heritage Foundation. Among them were \$450,000 of taxpayer money for a Baseball Hall of Fame outreach program using distance learning to teach students about baseball history; \$25,000 for a study of mariachi music; and \$725,000 for the



Please Touch Museum in Philadelphia.

The beneficiaries of these pork projects won't go quietly, but will instead proclaim Bush is "gutting education" and will howl with indignation about the value they provide to American children. A cable news channel recently ran an emotional story on plans to cut Even Start, a 15-year-old, \$225 million federal literacy program for low-income families. Three separate evaluations have shown the program is not succeeding.

Similarly, there has been an outcry over plans to eliminate the \$500 million Enhancing Education through Technology state block-grant program, which supporters call the primary source of federal funding for school technology. Their assertion is ridiculous in light of the fact that another federal program, E-Rate, provides schools with more than \$2 billion each year in technology grants.

No Choice Allowed

On *American Idol*, the public can vote for its favorite contestant. But unless they can afford the tuition for a private school, American parents don't get to choose their children's school. They cannot send their children to whichever local public school provides the best education.

Bush's 2006 education budget takes money from failing programs and moves it to help ensure students and parents have more meaningful choices and educational opportunities—including \$50 million that will fund new school choice programs providing competitive awards to states, school districts, and community-based nonprofit organizations that provide low-income parents with more opportunities to transfer their children to higher-performing schools. Bush also provided \$219 million to support new charter schools that would give parents another alternative to failing public schools.

Singing talent and tax dollars are both scarce resources. The only way to ensure education dollars are spent on effective programs is to evaluate the evidence. Education programs should have to demonstrate tangible results if they want to hear, "You're through to the next round."

Lisa Snell (lsnell@reason.org) is education director of the Reason Foundation in Los Angeles. This oped originally appeared in the April 10 edition of the Orange County Register and is reprinted with permission.

Veto Limits Growth of Milwaukee Voucher Program

by Karla Dial

Just two days after one of the nation's oldest voucher programs celebrated a milestone anniversary, Wisconsin Gov. Jim Doyle (D) vetoed a bill to lift its 15,000-student enrollment cap, placing the program's future in jeopardy.

The Milwaukee Parental Choice Program (MPCP), which turned 15 years old on April 27, provides vouchers for the city's low-income children to attend the private schools of their parents' choosing. Since 1995, the law has mandated that no more than 15 percent of students enrolled in the Milwaukee Public Schools (MPS) system may receive the vouchers. Based on current MPS enrollment, approximately 14,800 students would have been permitted to receive vouchers.

But the number of children enrolled in the MPCP jumped from 12,900 in the 2003-04 school year to 15,000 in 2004-05, prompting the Department of Public Instruction to propose a seat-rationing program for the 2005-06 academic year, displacing approximately 1,500 students. About 100 private schools participate in the program, with 50 more lined up to begin participating this fall.

The Wisconsin legislature sent the bill to Doyle for a signature on the MPCP's anniversary. Doyle had already vetoed similar bills twice.

Uncertain Future

The latest veto could have dire repercussions for parents such as 61-year-old Dorothy Smith of northwest Milwaukee. She has nine children, grandchildren, and foster children who

are all currently using MPCP vouchers to attend private school.

"I'm really disappointed that the governor vetoed it. That should be my right as a parent and grandparent, to send my children wherever I want to," she said. "Hopefully, I'll still be able to. I'm just real upset."

"Right now, I don't know where they'll go [if their seats are rationed off]. I refuse to even think about that right now," Smith said.

The Department of Public Instruction had not yet announced how it would handle the rationing program as *School Reform News* went to press.



"The governor has been whispering sweet nothings in people's ears for years on this," Gard said, "and the truth is he's not a serious guy on this."

**WISCONSIN ASSEMBLY SPEAKER
JOHN GARD
R-PESHTIGO**

Politics As Usual

The bill was popular in the legislature, where it passed 58-35 in April, and also among the Wisconsin public. Polls show support for school choice stands at about 60 percent statewide and close to 80 percent in the poor neighborhoods of Milwaukee.

In a media statement issued after the veto, Doyle said he based his decision on data suggesting lifting the

enrollment cap could cost Milwaukee Public Schools \$15 million in state funds or force a \$2 million property tax increase for the city. But since 1993, the MPCP has saved Milwaukee residents about \$100 million in property taxes each year.

Doyle said he would consider allowing more students into the program, but any proposal to lift the cap must be tied to increases in funding for smaller class sizes. Assembly Speaker John Gard (R-Peshtigo) told the *Milwaukee Journal Sentinel* on April 29 he doubted the governor would ever allow the cap to be lifted.

"The governor has been whispering sweet nothings in people's ears for years on this," Gard said, "and the truth is he's not a serious guy on this."

Proven Results

A Manhattan Institute study by Senior Fellow Jay Greene, published last year, found Milwaukee's choice students graduate from high school at much higher rates than those enrolled in the city's public schools—64 percent in 2003, compared to 36 percent in public schools.

Harvard University economist Caroline Hoxby, who has studied the effects of competition on student performance, found that in Milwaukee, public schools competing for students had higher student test scores each year between 1997 and 2004 in 12 of 15 academic subject areas.

Karla Dial (dial@heartland.org) is managing editor of School Reform News.

Rally

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Rep. Frank Corte Rep. Linda Harper-Brown

Hispanic families a national voice on school choice options.

At an opposing press conference held by the League of United Latin American Citizens (LULAC), school choice opponent Gary Bledsoe, president of the Texas chapter of the National Association for the Advancement of Colored People (NAACP), dismissed the rally's importance. School choice supporters were "trying to create an appearance that there's more support in the minority community than actually exists," he told News 8 Austin, a local television network.

On the same day, the state House Education Committee heard testimony on three school voucher bills: H.B. 12, H.B. 1263, and H.B. 3042.

Bills Being Considered

H.B. 12, sponsored by Rep. Frank Corte (R-San Antonio), would provide

vouchers to low-income students in the state's six largest school districts. Under the legislation, private schools would be required to test students who are using vouchers, and the state education commissioner would publish the results and provide parents with information on school test scores.

"Despite all the opposition from those that want to keep the status quo, vouchers will not dismantle public education," Corte said. "In fact, if anything, it will improve it for everyone—those who take advantage or not of vouchers, [because the movement for] school vouchers is about empowering parents with the ability to get the best education for their young person."

H.B. 3042, sponsored by Rep. Debbie Riddle (R-Houston), proposes vouchers worth \$5,500 annually for children statewide to attend the public school or private school of their choice. For accountability purposes, parents receiving vouchers would be required to have their children annually tested using a nationally recognized, norm-referenced test such as the Iowa Test of Basic Skills.

H.B. 1263, sponsored by Rep. Linda Harper-Brown (R-Dallas), would establish a pilot voucher program for students in select counties. Students who are from low-income families, have a disability, have limited English proficiency, have dropped out of school, or

"The money that will fund school choice legislation belongs to the students... This money does not belong to the institutions or to the professional educators."

REBECA NIEVES HUFFMAN, PRESIDENT
HISPANIC CREO

who have been victims of school violence, would be eligible to receive a voucher to attend a private school or another public school.

Minor Disagreement

"The money that will fund school choice legislation belongs to the students who

will take part in the program. This money does not belong to the institutions or to the professional educators," Hispanic CREO President Rebeca Nieves Huffman said at the rally. "[H.B. 1263] allows a narrow category of students to seek the most beneficial educational opportunities available."

A few weeks later, on April 28, approximately 40 parents held another rally to oppose the school choice legislation. One of them, Mike Espinoza, told the *San Antonio Express-News* he believed vouchers represent "a tear in the fabric of our goals to educate our children."

Krista Kafer (kristakafer@msn.com) is an independent education writer based in Denver who is a former senior policy analyst for education at The Heritage Foundation in Washington, DC.



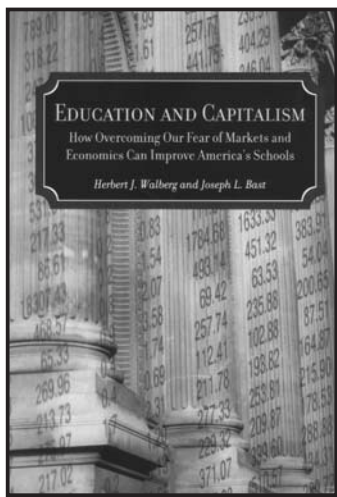
Several hundred Hispanic parents and students rallied in Austin, Texas on April 5 to show their support for school choice bills being considered by the legislature.



Gov. Rick Perry, a strong supporter of choice, was warmly welcomed by the crowd.

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Carolina

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attending private school, combining tax credits with vouchers for low-income families.

No Discussion Allowed

The plan would have affected about 187 of the state's 1,119 schools, including about 50 in the Charleston area. Members of the House refused to let the measure come up for debate.

"To table a thing, to not even discuss it, everyone was surprised at that," said Park Gillespie, a South Carolina parent and public middle school teacher certified by the National Board of Professional Teaching Standards. "It didn't say much about the people who voted to table it.

"Sadly, the legislature in South Carolina decided to close the marketplace of ideas, not to have competition of any kind. Incredible. I have given 16 years of my life to public education and am proud of it, but it is not the only game in town, and some people cannot afford what they need and a tax credit would help them out."

"Fifty-two percent of our ninth-graders don't graduate in four years. Then we wonder why we've got problems with economic development. ... If we don't have an educated populace, why would anybody want to move a plant down here?"

**RANDY PAGE, PRESIDENT
SOUTH CAROLINIANS FOR RESPONSIBLE
GOVERNMENT**



Rep. Ken Kennedy

Racial Issues Arose

As the votes to table the bill were being read off, the bill's opponents began cheering so loudly in the chamber that Speaker David Wilkins (R-Greenville) asked them to leave.

According to the *Charleston Post and Courier*, Rep. Ken Kennedy (D-Greeleyville) looked toward the pro-school choice spectators in the balcony on his way out and said, "All you out-of-town people go back to Colorado, go back to Washington, get the hell out of here."

Kennedy explained to *School Reform News* later that he opposed the Put Parents in Charge Act because it would "only re-segregate the schools in South Carolina."

Though Kennedy spent three years in Brooklyn in the 1970s and sent his

own children to private schools there, he said the opportunity "didn't really help them" and that being able to attend better-performing private schools wasn't the answer for students trapped in South Carolina's failing public schools.

"What needs to happen in South Carolina is that the governor needs to look at the historical part of what's happened in this state and give the poor counties equitable funding," he said. "We need someone to really come into these communities and help us develop the infrastructure and move into the new economics that are happening across this state. This bill, to me, would just re-segregate the schools and be devastating to these poor areas.

"I believe in private schools; my children went to them. I was able to pay for them to go, and if a parent can afford to send his kids there, God bless him. I just decided that was better for me and I could do it, but we shouldn't use public monies to do that."

Transportation Crisis Claimed

Rep. Joe Neal (D-Chester) said the bill contained two weaknesses: No mandate requiring all-white private academies in the state to accept vouchers from poor African-American students, and no means of addressing transportation problems for kids trying to attend schools outside their own neighborhoods and districts.

"When the courts ordered the schools to desegregate [in the 1960s], there was a mass exodus from the public school system, especially by white children, into private segregation academies," he said. "This bill does not require those academies to accept any kids who apply. Also, those schools are located in areas that would make it difficult for black children to attend.

"We have a disparity here between school systems in poor areas and very wealthy areas, and that typically follows the lines of race. Those poor school districts would find themselves in a situation where the pitfall would be losing even more funds."

Randy Page, president of South Carolinians for Responsible Government—an organization that supported Sanford's proposal—said the bill specifically addressed transportation needs by including it in the tuition costs.

"South Carolina is the only state in the nation that owns and runs the school bus fleet," he said. "If they were truly concerned about transportation, the vehicle is there to make it happen."

Starting With Education

Page agreed South Carolina's schools are still racially segregated by income, if not by law. But without creating a well-educated workforce, there is little hope of realizing Kennedy's dream of developing the state's poor rural areas, Page said.

"Whether we're 43rd in the nation or 50th in terms of student performance, we're at the bottom of the heap," he said, referring to two reported national rankings for the state's SAT scores. "Fifty-two percent of our ninth-graders don't graduate in four years. Then we wonder why we've got prob-

lems with economic development and it all goes back to education. If we don't have an educated populace, why would anybody want to move a plant down here?"

Vouchers Proven Successful Elsewhere

In other areas of the country where school vouchers have proven successful, such as Milwaukee and the District of Columbia, African-Americans have generally led the fight to create them. Studies of those programs show academic performance improves for the students who use vouchers to attend private school, as well as for students in the public schools, which find themselves having to compete for students.

Other analyses have revealed that public schools come out ahead financially when students are given vouchers. Though state money creating the voucher or tax credit follows the child to his new school, the public school still receives the federal government's per-pupil spending for the child who has left, giving the school more money to spend to educate a smaller group of students.

"I have given 16 years of my life to public education and am proud of it, but it is not the only game in town, and some people cannot afford what they need and a tax credit would help them out."

**PARK GILLESPIE, SOUTH CAROLINA PARENT
PUBLIC MIDDLE SCHOOL TEACHER**

Equal Funding Called For

Voucher opponents Kennedy and Neal said the solution for South Carolina's failing schools lies in a court ruling that was still pending at press time.

In 1998, the legislature passed the Educational Accountability Act, an early stab at education reform requiring each school and student in the

state to achieve prescribed performance levels. But because rural schools in what Kennedy called the state's "area of educational shame" don't have the same amount of funding from property taxes as those in the more industrialized areas of the state, several poor districts sued in state court to force the state government to give equal funding to every school, regardless of its location.

"Other states, like Texas and Vermont, have already done this and seen some dramatic increases in performance," Neal said. "South Carolina needs to be following that example instead of giving some children an escape route and leaving others to languish."

Monetary Solution Disputed

Proponents of the Put Parents in Charge Act disagreed.

"More money isn't going to help unless you have the opinion that money helps," Page said. "A lot of these black churches would love to start schools. These legislators are saying they don't like this bill, but what have they offered? Nothing. So these kids are doomed to failure year in and year out."

Because school choice has been proven to work elsewhere, Sanford said in a statement released after the vote that it was time to give it a shot in South Carolina.

"A lot of kids trapped in failing and below-average schools lost today, and a whole lot of parents looking to make a difference in the lives of those kids lost, too," he said. "If we've ever going to get competitive as a state, at some point we've got to start putting the best interest of each individual South Carolina school kid ahead of the vested interests of a system that, despite the best efforts of a lot of great teachers across our state, too often isn't meeting their needs."

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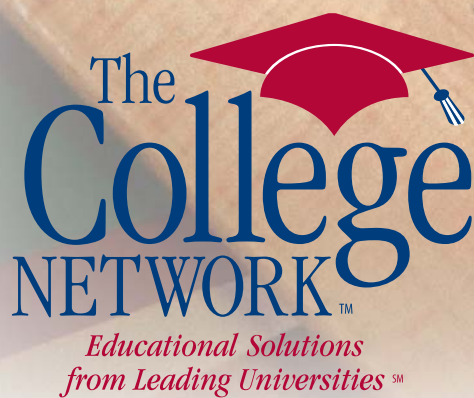
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