Database Sheds Light on Ariz. School Funding

By Vicki Murray

An April 19 analysis from the Goldwater Institute and Milton & Rose D. Friedman Foundation examines updated financial data from the Arizona Department of Education’s (ADE) multiple accounting systems and describes the changes that have occurred in public school funding in the state between the 2002-03 and 2003-04 fiscal years.

The result is a comprehensive student funding database, available on the Goldwater Institute Web site (http://www.goldwaterinstitute.org), and an accompanying analysis, “Opening the Books: 2006 Annual Report on Arizona Public School Finance.”

The data show per-pupil funding DATABASE p. 4

Colo. Governor Vetoes Limits on Certification

By Krista Kafer

On March 30, Colorado Gov. Bill Owens (R) vetoed a bill that would have added new restrictions to the state’s two-year-old alternative certification program for school principals.

Under current law in the state, an individual may become a public school principal through a traditional track that requires teaching experience and a master’s degree, or through an alterna-

COLORADO p. 14

L.A. Parents Sue for NCLB Choice Options

By Karla Dial

U.S. Education Secretary Margaret Spellings weighed in May 1 on a federal lawsuit against two Los Angeles school districts filed in March by the Alliance for School Choice and the L.A.-based Coalition for Urban Renewal and Education (CURR).

The lawsuit alleges the Los Angeles Unified School District (LAUSD) and

LOS ANGELES p. 16
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Federal Tuition Tax Credit Proposals Gather Steam on Capitol Hill

By Don Soifer

As state tuition tax credit plans grow increasingly popular across the nation each year, the approach continues to gain steam as a vehicle for extending parental choice to families that otherwise couldn’t afford it. Two new proposals in Congress seek to give that time- and court-tested approach a crucial foothold at the federal level.

New York Rep. Vito Fossella (R) introduced in April his Tax and Education Assistance for Children (TEACH) Act of 2006 (H.R. 5230)—a new education tax credit plan that would offer each family credits of up to $4,500 per year for elementary or secondary school tuition against taxes owed. Fossella, a product of Staten Island public schools himself, has maintained a strong school choice track record throughout his five terms in Congress.

“The fact is that the school choice genie is out of the bottle and it’s working in Wisconsin, Arizona, Florida, and even the District of Columbia,” Fossella said in his announcement. “Those who continue to embrace a cocoon-like mentality only serve to smother incentive, stifle innovation, and cultivate mediocrity in education by defending the status quo.”

Fossella also noted that rising costs have forced many private and religious schools to close in recent years, as working families find it increasingly difficult to keep up with rising tuition prices.

“New York Rep. Vito Fossella (R) ... a product of Staten Island public schools himself, has maintained a strong school choice track record throughout his five terms in Congress.”

Tax Breaks for Businesses

Meanwhile, Reps. Phil English (R-PA) and Charles Pickering (R-MS) announced in April their own federal tax credit plan for businesses making contributions to qualified scholarship organizations. Their Business Supporting Education Act (H.R. 4834) would offer businesses tax credits of up to $100,000. To qualify for the tax credits, contributions would have to be to scholarship groups that give at least 90 percent of their donations to students whose family incomes fall at or below 250 percent of the poverty line.

“By providing a common-sense tax incentive to encourage businesses in communities across the country to support education, this legislation will ensure that low-income parents also have the ability to provide the right educational resources for their children,” said English, a member of the House Ways and Means Committee, which has authority over tax issues.

The plan is similar in structure to Pennsylvania’s state tuition tax credit, which resulted in 25,000 scholarships granted during the 2004-05 school year. Florida also has a corporate scholarship tax credit plan in place, through which more than 11,000 scholarships were awarded in 2004-05.

Federal Dollars for States

Both bills were referred to the appropriate Congressional committees, where at press time observers viewed their near-term prospects for action as fairly remote.

The two new plans take their place alongside existing federal tax credit proposals, notably by school choice stalwart Reps. Trent Franks (R-AZ) and Ron Paul (R-TX). Franks’ Children’s Hope Act (H.R. 2947), covered in past issues of School Reform News, is designed to use federal dollars to encourage new state tax credits designed along the lines of Arizona’s highly successful scholarship model. It offers an additional federal credit of $250 or more for individuals who contribute to a state scholarship tax credit organization.

“Throughout my years working in public service, I have had a longstanding commitment to parental empowerment and educational choice,” Franks said. “I feel confident these efforts will help revitalize our nation’s education system and will truly offer the same educational opportunities to all of America’s families.”

Growing List of Sponsors

The Franks plan had assembled a bipartisan roster of 61 co-sponsors at press time, and school choice advocates expressed optimism that it could find a place in upcoming Capitol Hill budget negotiations.

Franks was instrumental in designing the Arizona plan as a state legislator in 1997. During the 2004-05 school year, 21,160 scholarships were awarded as a result of tax credits taken by families and individuals.

Paul’s more traditional model offers parents tax credits of $3,000 for each student for private, parochial, or home-schooling costs.

Don Soifer (soifer@lexingtoninstitute.org) is executive vice president of the Lexington Institute in Arlington, Virginia.
for public schools in the state is much higher than has been reported by other sources.

The online K-12 Funding Index gives Arizonans unprecedented access to the most accurate financial data available for all 218 regular Arizona public school districts. The index breaks down revenue for both fiscal years into per-student amounts—making it easy to identify how, and how much, funding has changed from one year to the next in each school district.

The analysis, which relies exclusively on ADE financial reports, found a total increase of $248 million in formula funding in fiscal year 2004. The average per-student formula funding ranged between $4,000 and $4,400, depending on grade level. Those figures represent an increase of almost $100 over fiscal year 2003.

“The online K-12 Funding Index gives Arizonans unprecedented access to the most accurate financial data available for all 218 regular Arizona public school districts.”

High Costs
In addition to formula funding from state and local revenue, districts also receive an average of $8,965 per student in non-formula funding, which includes local, county, non-equalized state, and federal revenue. Most published reports often ignore non-equalized funding. Thus, the average total spending for an Arizona public school student is between $8,000 and $8,500—far more than people might think.

State legislators lauded the new tool. “It is great that the taxpayers now have the ability to see the amount of money that is spent by each school district in Arizona,” said state Sen. Ron Gould (R-Lake Havasu City), vice chairman of the Arizona Senate K-12 Education committee.

Goldwater Institute President Darcy Olsen agreed but said the new tool doesn’t solve the state’s school funding problems. “Transparency is a first step toward accountability. Unfortunately, we find increased funding has not led to improved student academic achievement,” Olsen said.

Conflicting Reports
K-12 education spending accounts for sizeable portions of general fund budgets in most states, and Arizona is no exception. At $4.6 billion, public education expenditures account for about half the state’s general-fund spending. Given the complexity of public school finance, however, few people really know where all that money goes.

For example, in its June 2005 Rankings & Estimates report, the National Education Association (NEA) said Arizona spends $5,222 per student, while Education Week’s January 2006 Quality Counts ranking claimed the state spends $6,531. And, in March 2006, the U.S. Census Bureau ranked Arizona 49th nationwide for spending, at $6,036 per pupil.

Meanwhile, financial and student enrollment data from the state superintendent’s Annual Financial Report 2004 indicate statewide per-student funding averages $8,400 in Arizona—close to the U.S. Department of Education’s national average of $8,900.

With so many conflicting figures, it has been difficult to know what’s being spent to educate a student in one of Arizona’s public schools. The state itself does not synthesize the ADE’s multiple accounting systems.

“Transparency is a first step toward accountability. Unfortunately, we find increased funding has not led to improved student academic achievement.”

DARYC OLSEN
PRESIDENT
GOLDWATER INSTITUTE

Adequate Funding
The Goldwater Institute’s updated K-12 Funding Index allows policymakers to calculate the fiscal impact on school districts and the state if students are given education grants to attend private schools. For instance, if 5 percent of public school students in Arizona (roughly 40,000 children) transferred to private schools using elementary education grants worth $3,500 and high school education grants worth $4,500—both less than the average state formula funding per student—the net savings to the state and local districts would have been $37 million in fiscal year 2004. $5 million more than the estimated savings for fiscal year 2003.

A June 2004 Educational Testing Service poll found nearly half of all Americans think per-student funding averages less than $5,000. Once respondents were told the U.S. spending average is closer to $9,000, 62 percent said that amount “should be enough.”

But some Arizona public school interest groups would prefer parents and taxpayers didn’t have such easy access to information about how much money public schools are getting. In response to the 2005 report, last January the Arizona Association of School Business Officials sent a letter to state legislators, complaining that presenting in one place all fiscal year revenue data as reported by the ADE “is confusing, misleading, and not right.” The lobbyists praised the ADE for having “the knowledge and insight not to present” financial data this way.

Robert Enlow, executive director of the Milton & Rose D. Friedman Foundation, a national school choice organization, disagreed. “We believe Arizonans need to know exactly how much is spent to educate children,” Enlow said. “You can’t make an informed decision on what to buy if you don’t know how much it costs.”

Vicki Murray, Ph.D. (thymos1@cox.net) is an independent education policy researcher based in Paradise Valley, Arizona. She is the former director of the Center for Educational Opportunity at the Goldwater Institute in Phoenix, and co-author of Opening the Books: 2006 Annual Report on Arizona Public School Finance.

Vermont Spends More, But Has Little to Show

By Ben DeGrow

Rising real estate values and declining enrollments since 2000 have escalated rural Vermont’s per-pupil spending with little to show for the expense, according to an analysis released in April.

In three years, Vermont’s average public school student received a 27.8 percent funding increase, as the state climbed past Alaska and New England neighbors Rhode Island, Massachusetts, and Connecticut in the national rankings of per-pupil spending. New data from the U.S. Census Bureau show that for the 2003-04 school year, the Green Mountain State ranked fourth in the nation in per-pupil expenditures on K-12 public schools, spending $11,128 per child.

Only New Jersey, New York, and the District of Columbia—among the most densely populated areas of the United States—spent more. Vermont has no major urban centers—and is in fact the only state in the union without a city of 50,000 or more people.

“New data from the U.S. Census Bureau show that for the 2003-04 school year, the Green Mountain State ranked fourth in the nation in per-pupil expenditures on K-12 public schools, spending $11,128 per child.”

Student Achievement Stagnant

“Our education spending as a share of income is 35 percent above the national average,” editors Art Woolf and Richard Heaps wrote in the April 2006 Vermont Economy Newsletter. “If our per-pupil spending in 2004 was just equal to the national average, Vermont taxpayers would have saved $315 million.”

According to the National Assessment of Educational Progress (NAEP) test, the state’s students haven’t greatly improved in reading since 2000, despite the increased spending.

Woolf, an associate professor of economics at the University of Vermont, has found a flat or declining trend in the state’s NAEP reading test scores, and modest gains in math. “We don’t get a lot for our overspending,” he said.

Education Coffers Overflowing

In 1997, the Vermont legislature followed a judicial directive to equalize funding among its school districts by replacing local property taxes with a statewide property tax for education. A rapid rise in real estate assessments since 2000 has generated large revenue increases to fund public schools.

The state’s spending on public education operating expenses grew from $716 million in 1997 to $927 million in 2001, and to more than $1.1 billion in 2004. More than 60 percent of the revenue for the state’s Education Fund comes from the statewide property tax.

At press time, the Vermont legislature was debating different proposals to reduce the base tax rates for both residential and nonresidential property. Previous tax rate reductions have been less significant than the rising real estate values that have fueled growing Education Fund revenue.

Fewer Students, More Teachers

The funds in Vermont’s expanding education treasury largely have been used to hire more teachers, even as the system enrolls fewer students.

National Center for Education Statistics data show that in 1997 Vermont’s classrooms had 7,751 teachers and 106,341 students. In 2004 the state employed 1,000 additional teachers to instruct 7,000 fewer students. The state’s student-to-teacher ratio of 11.7 is the smallest in the nation.

William Talbott, chief financial officer of the Vermont Department of Education, said the ratio is driven by “local decisions” in the state’s 290 school districts.

“Many of our small schools, a 10 percent reduction in enrollment may only mean the loss of six to 10 students spread across several grades,” Talbott said. “Therefore, such losses do not generally result in reductions in the number of staff.”

According to the National Education Association, Vermont’s national ranking in average public school teacher salary has remained static in recent years. Between 1996-97 and 2004-05, Vermont’s ranking dropped slightly, from 21st to 22nd in the nation, while the average teacher’s base earnings rose from $37,200 to $44,535 in nominal dollars (not adjusted for inflation).

Different Opinions

Both proponents and opponents of the state’s increased education funding make their case for how well Vermont is using the added dollars by pointing to accountability measures that support the increased spending on personnel.

“Vermont always does well nationally on test scores, but to do even better means more work must be done to help students in the subgroups,” Talbott said. “This generally means more intensive services, which many times are staff dependent.”

Woolf’s analysis of NAEP scores compared Vermont’s scores unfavorably with the national average for white students: The state’s population is 98 percent white. Vermont students have outpaced their peers in fourth-grade math scores but have just kept pace relative to the national average on all other available NAEP results.

“We’ve always spent 20 to 25 percent more than the national average,” Woolf said. “There’s no statistical or quantitative way of showing we get anything for it.”

Donald Lade has followed every twist in the public school money trail and it’s led him to the dark corners that almost never see the light of day — until this book, Diseconomies of Scale in Public Education.

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Florida Parents Respond to Court’s Scholarship Program Shutdown

By Jenny Rothenberg

In mid-April, local parents and a school choice advocacy group launched a radio advertising campaign urging Florida state Sens. Tony Hill (D-Jacksonville) and Gary Siplin (D-Orlando) to support a bill to provide constitutional protection for state-funded scholarship programs threatened by a Florida Supreme Court decision. By the end of the month, both senators vowed they would not do so.

“We still haven’t funded [public education] correctly, so I won’t support vouchers until public education is properly funded,” Siplin said. He cited large class sizes, underpaid teachers, and lack of books as challenges currently facing the public school system. Hill did not return calls for comment.

In January, the Florida Supreme Court declared Opportunity Scholarships unconstitutional. Opportunity Scholarships—essentially, vouchers—had been available to children assigned to public schools that earned two “F” grades in any four-year period. The scholarships allowed parents of these children to receive state funds to pay tuition at the private school of the parents’ choice. More than 90 percent of the children participating in the program were minorities. The court ruled the scholarships violated the state’s obligation to create a “uniform” public school system and ordered the children back to the public schools.

“When asked how a system he said needs help could handle an even larger burden of students, Siplin said he was “not convinced the system isn’t working properly.”

“People have kids every day,” Siplin said. “We’re always going to add to the system.”

Protecting Programs

The appellate court ruling also threatens other popular education programs. Currently, parents using the new state-funded pre-kindergarten program, which began last August, may use their grants at faith-based institutions. College students may use Bright Futures scholarships and Florida Resident Access Grants at faith-based colleges such as Bethune Cookman College, Edward Waters College, and Florida Memorial College.

To protect the remaining state-funded scholarships, concerned local parents have been encouraging their elected officials to support legislation that would put the issue on the November ballot for voters to decide. If approved by voters, the measure would create a constitution-al amendment protecting state-funded scholarships from pre-kindergarten through college. In February, the same parents joined almost 4,000 scholarship supporters for a rally at the capitol in Tallahassee.

Since then, parents in Orlando and Jacksonville have been calling and writing letters to their legislators, and more than 100 contributed to the radio ad campaign asking Hill and Siplin to support the bill. Also supporting the ad campaign was the Florida Committee for Educational Freedom, a nonprofit group that supports school choice for low-income parents.

Changing Lives

Two of the scholarship programs at risk, the McKay Scholarships and Corporate Tax Credit Scholarships, together serve more than 2,600 children in Hill’s district and more than 2,100 children in Siplin’s. One parent featured in a radio ad, Betty Saltares, discussed how an Opportunity Scholarship transformed her child’s life.

“This program has made such a difference in Alex’s life,” Saltares said in the radio spot. “He went from failing to earning A’s and B’s.”

Hill’s district is home to 52 schools accepting scholarship students, and Siplin’s houses 47. One of them, El Bethel Christian Academy in the Orlando neighborhood of Washington Shores, serves 50 children enrolled in the programs—which is why Bishop Ed Thomas and his wife Carolyn, senior pastors, agreed to appear in an ad.

“People have kids every day,” Siplin said. “We’re always going to add to the system.”

“People have kids every day,” Siplin said. “We’re always going to add to the system.”

In Other Words

“The solution to the problem is school choice in the form of a voucher system. Why should parents be forced not only to send their children to schools that academically fail them, but also to schools that outright reject their values? How can this denial of choice be justified in a free society? ... [A] time comes when we must realize the facts that this monopoly on education has produced situations where children and their welfare are the last things considered, not the first.”

John Bambeneck, a graduate student at the University of Illinois-Champaign, writing in the April 26 edition of the Daily Illini, on the Champaign Unit 4 school district ignoring the voices of African-American parents and hiring full-time armed policemen to patrol schools in an effort to cut down campus violence.
School Accountability Measure Passes

By Jenny Rothenberg

The Florida legislature completed its 2006 session on May 5 with the passage of a broad voucher accountability bill, but it failed to pass a joint resolution that would have given voters an opportunity to amend the state constitution to protect current programs from potential legal challenges.

The approved bill, S.B. 256, codifies the strict accountability and fiscal practices already used voluntarily by the Florida Association of Scholarship Funding Organizations (FLA-SFO), the nonprofit organizations that administer Corporate Tax Credit (CTC) Scholarships.

The bill places in law many of the private school accountability measures already implemented by the State Department of Education. It also requires tax credit scholarship students to take a nationally recognized norm referenced test, such as the Stanford Achievement Test; requires a longitudinal study to be conducted of children’s learning gains; and requires private schools that participate in the McKay Scholarship Program for Students with Disabilities and tax credit scholarships to submit to random site visits and criminal background checks for employees.

“We have adhered to these practices and lobbied the legislature to codify them for three years,” FLA-SFO spokesperson Denise Lasher said. “This is a great step forward for participating schools and students and the general public, who can now rest assured the scholarship funds are wisely managed and strict accountability measures are in place.”

DENISE LASHER
FLORIDA ASSOCIATION OF SCHOLARSHIP FUNDING ORGANIZATIONS

“Violating the Florida corporate tax credit program is illegal,” Lasher said. “This is simply another way the legislators are ensuring the programs a thumbs-up.

Protecting Programs

To prevent that from happening, the legislature considered a joint resolution to put on the November ballot a constitutional amendment that would safeguard the remaining scholarships. Passing that bill would not have required legislators to give the programs a thumbs-up or -own; they were simply voting to allow citizens to decide whether the scholarships will be protected.

The accountability bill allows students who were attending the school of their choice on the state’s Opportunity Scholarship Program to transfer to the CTC program, provided they meet income qualifications, to ensure an uninterrupted educational experience.

Opportunity Scholarships were struck down by the Florida Supreme Court in January. Scholarship opponents sued on two constitutional grounds: violation of the state’s “Blaine” amendment, which prohibits the transfer of state dollars to any faith-based institution, and the Article IX “uniformity” clause in the state constitution, which requires the legislature to fund a uniform system of public schools. The District Court of Appeals ruled the scholarships violate the Blaine amendment.

The state supreme court was silent on Blaine, ruling on uniformity instead. The appellate decision is thus the last ruling on Blaine, making it the current law of the land in Florida.

Because several other Florida education programs—including the McKay Scholarships, Voluntary Pre-K, Bright Futures College Scholarships, and Florida Resident Access Grants for college—are funded identically to Opportunity Scholarships, all of them could be vulnerable to the same legal challenge.

The approved bill, S.B. 256, codifies them for three years,” FLA-SFO, the nonprofit organizations that administer Corporate Tax Credit (CTC) Scholarships.

“We have adhered to these practices and lobbied the legislature to codify them for three years,” FLA-SFO spokesperson Denise Lasher said. “This is a great step forward for participating schools and students and the general public, who can now rest assured the scholarship funds are wisely managed and strict accountability measures are in place.”

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Katrina
Continued from page 1

“The hurricanes did not distinguish between public and private schools or students, and neither did the aid,” said Joe McGtighe, executive director of the Council for American Private Education, an advocacy group based in Germantown, Maryland. “The storms flattened and flooded both types of schools with the same ferocity, and uprooted communities and families indiscriminately. Fortunately, the relief did not discriminate, either.”

The U.S. Department of Education spent more than $120 million in the first quarter of 2006 to aid displaced students. Information was not available at press time to show how that money was distributed between public and private schools. The federal legislation made relief available to 372,000 schoolchildren who were relocated due to the 2005 season’s major Gulf Coast hurricanes. The reimbursement funds are administered through local and state departments of education.

“In the first quarter of 2006, the U.S. Department of Education gave financial assistance to 157,743 students whose homes were damaged or destroyed by Hurricane Katrina.”

Bipartisan Support
According to data obtained by the Alliance for School Choice, every state but Hawaii has enrolled Katrina-displaced students through the program. States closest to the effects of the destruction accommodated the most pupils, including Louisiana (46,672), Texas (46,324), and Mississippi (17,873); 27 students were admitted in far-away Alaska.

“The Katrina program is significant for the school choice movement for two reasons,” Bolick said. “It is the largest K-12 school choice program ever enacted, and it is the first time that many Democrats ever voted for a school choice measure.”

The bipartisan legislation included significant input and support from prominent Democratic U.S. Senators Ted Kennedy of Massachusetts and Christopher Dodd of Connecticut.

Local Efforts
Much of the hard work of revitalizing educational opportunities in the hurricane-stricken areas has been done at the state and local level.

In November 2005, the Louisiana legislature approved a state takeover of most New Orleans public schools, removing 107 of the city’s lowest-performing 129 schools from the local board of education’s oversight. As a result, most schools will be run as charters by outside operators.

“The new structure, as outlined in an April 22 Times-Picayune newspaper article, will give greater autonomy to individual school operators and significantly more parental choice among the city’s schools. Louisiana officials estimate that by August, 50 New Orleans schools will have the capacity to compete to serve as many as 34,000 students. In April, about 12,000 students were enrolled in the city’s 25 schools.”

Continuing Progress
While that’s a step forward, New Orleans’ public school transformation may not be enough, Bolick said. In Louisiana and Texas, the Alliance for School Choice is organizing students and families “to fight for permanent school choice programs” by applying the Hurricane Education Recovery Act on a long-term, national scale.

“The justification for voting for school choice in this narrow instance was an emergency,” Bolick explained. “Now we must demonstrate that the New Orleans schools were in an emergency long before Katrina struck, and most other urban school districts are in similar crisis.”

Teachers unions, which fought against the federal program, are likely to revive their arguments if states seek to make the temporary choice programs permanent.

Important Model
In a December 15 letter to the U.S. Senate, National Education Association President Reg Weaver decried the emergency assistance program, which was signed into law two weeks later, as an “attempt to hijack the appropriations process in support of an ideological agenda.” Weaver called it a “voucher scheme,” an idea he said is “opposed by the overwhelming majority of the general public.”

Yet as school choice supporters press forward, McGtighe sees the temporary tuition aid to displaced students as a key model for compassion-based educational options.

“The hurricane aid has been called controversial, but there is nothing controversial about helping students and families in need,” McGtighe said. “Helping one another is what we do as a nation when disaster strikes.”

James Leininger, a former emergency room doctor who now owns several medical companies and funds the political campaigns of school choice candidates in Texas, in an April 16 op-ed published in the Dallas-Fort Worth Star Telegram.

“In Other Words

“The public, the Legislature and parents have been fed an untrue menu of scare tactics that most commonly involves the allegation that school choice programs drain needed resources from the public school system, in fact, a voucher program won’t reduce education funding by a single penny and allows for the competition that almost always spurs accelerated improvements in public school systems.”

Ben DeGrow (ben@i2i.org) is a policy analyst for the Independence Institute, a free market think tank in Golden, Colorado.
States Raising the Bar on High School Graduation Standards

By Kate McGreevy

With a handful of states leading the way, high school graduation standards are climbing around the nation.

“The day we signed into law higher graduation standards for Michigan’s students,” said Chuck Wilbur, senior advisor for education policy for Jennifer Granholm (D), after she signed the bill April 20. “In a ceremony involving both Democrats and Republicans, from both houses, we saw a real coming together around higher standards.”

With that, Michigan joined Arkansas, Indiana, Oklahoma, South Dakota, and Texas as a state that has raised graduation standards in response to feedback from the business, college and university, and military communities complaining that many graduates are ill-prepared for life after high school. Each of these states has enacted legislation in the past few years that increases academic expectations for high school students.

**Hoosier Expectations High**

Indiana’s set of high school course and credit requirements, the Core 40 initiative, provides a strong example of what happens when educators, parents, and the business community collaborate to define standards for students, said Jason Bearce, director of communications for the Indiana Department of Education.

Core 40 includes four years of English, three years of math, science, and social studies, at least five electives, plus physical education and health requirements.

“In 1994, our K-12 State Board of Education, the Commission on Higher Education, the business community, and many other stakeholders came together to establish the Core 40, a set of standards to help students prepare for life beyond high school,” Bearce explained. “Core 40 is preparation for everything beyond high school college, the military, vocational school, or immediately entering the workforce. At the time it was not mandatory, but as of 2007 it will be required for all students.”

In response to growing demands from business and university groups, Indiana decided in 2005 to retool the Core 40, creating four tracks: a General Diploma, Core 40, Core 40 with Academic Honors, and Core 40 with Technical Honors.

While the tracks hold some basic requirements in common, such as four years of English, specific credits are layered into the tracks to distinguish them. For example, Core 40 with Academic Honors mandates students complete three years of a foreign language, and the Technical Honors diploma, which Bearce described as “rigorous,” requires at least eight career-technical credits in a sequence designed to prepare students for high-wage, high-skill fields such as health, technology, and engineering.

**Parents Satisfied**

Tiffany Pache, a spokesperson for Achieve, Inc., a national nonprofit group that works with states to raise graduation requirements, noted the specific strengths of Indiana’s legislation.

“Indiana’s Core 40 provides a good example of strong graduation requirements,” Pache said. “In this instance, students, with parent approval, must opt out of the required courses, which is certainly an improvement compared to many states, where the higher standards have to be opted into. Requiring an opt-out as the standard and not an opt-in sends a stronger message about expectations.”

Bearce echoed Pache’s comments, noting parents have been very supportive of rigorous coursework and recognize the benefits for students.

“While it’s not for every student, we really do believe that the Core 40 coursework is the best preparation, even for students that have traditionally not been asked to meet high expectations,” Bearce said. “In 2000, we raised standards in Indiana, and when you raise standards, students rise to the occasion.”

**Indiana Preparing Workers**

Bearce said the Core 40 standard was not designed to raise graduation rates so much as to better prepare graduates for the workforce.

“Indiana has made substantial progress with respect to our college-going rate since Core 40 was established,” Bearce noted. “Over a 10-year period, Indiana has moved from being ranked 34th to 10th in the nation regarding the percentage of high school graduates enrolling in college the following autumn.”

In addition, support from the business community and four-year colleges and universities in Indiana bolstered Core 40’s advancement.

“The business community was integral to advancing the recent legislation that will make Core 40 a requirement,” Bearce said, “and our four-year public colleges and universities have endorsed the curriculum as a minimum admission requirement by 2011.”

**Michigan Responds to Economy**

As in Indiana, bipartisan efforts in Michigan to raise high school graduation requirements resulted in part from the business community explaining its needs—chiefly, a better-educated workforce.

“If there is a reason we are able to do this now in Michigan, after attempts were made in the 1990s that did not succeed, it’s because people are recognizing that the level of educational attainment of our citizens does drive our economy, perhaps much more so than tax breaks or other policies that had been previously emphasized,” Granholm advisor Wilbur explained.

Michigan’s new education legislation requires four years of math and English, plus two years of foreign language and, uniquely, an online learning component mandating either that students take an online course for credit, or that schools demonstrate successful integration of technology into the curriculum.

“While it’s not for every student, we really do believe that the Core 40 coursework is the best preparation, even for students that have traditionally not been asked to meet high expectations,” Bearce said. “In 2000, we raised standards in Indiana, and when you raise standards, students rise to the occasion.”

**Challenges Ahead**

While Bearce and Wilbur both said they encountered little concerted opposition to raising standards in their states, they each also said implementing the changes would be a challenge.

In Michigan, for example, Wilbur said a dearth of qualified math and science teachers could make it difficult for some districts to comply immediately with the higher-level course offerings required. To counter this, Michigan’s law provides for a flexible implementation timeline. Additionally, there was some resistance to raising math standards, particularly the Algebra II requirement.

“Michigan joined Arkansas, Indiana, Oklahoma, South Dakota, and Texas as a state that has raised graduation standards in response to feedback from the business, college and university, and military communities complaining that many graduates are ill-prepared for life after high school.”

**Economic Prospects Boosted**

Pache is encouraged by the higher standards—a trend that seems to be growing, with more than 10 other states now considering similar measures. For state economies and individual welfare, she said, it is a good approach.

“For states, too, there is a direct link—the economic earning potential of the individual increases, the earning potential of that state rises, too,” Pache said. “For the individual worker, a bachelor’s degree will yield far greater income than a high school diploma.”

With concern over the high cost and need for remedial college education courses swirling nationwide, Bearce noted the importance of setting the bar high at the high school level.

“We recognize that going to college and succeeding in college are not the same thing,” Bearce said. “With a stronger preparation, through the Core 40, we believe that fewer students will drop out, and fewer will need remedial classes to catch up to their peers.”

**For some reason, some groups and individuals assume that some students cannot do math on that level,” Wilbur said. “We really believe that a subject like Algebra II is critical to keeping doors open for students, whether college bound or headed directly to the workforce.”**

In Indiana, Bearce said, the challenges of implementation, like those in Michigan, were being handled innovatively.

“For some schools cannot offer as much variety at the higher levels,” Bearce said, “but we are working toward creative solutions, through distance education and school partnerships, to address these issues.”

For more information on Indiana’s Core 40 initiative, go to http://www.doe.state.in.us/core40/.

To learn more about Michigan’s new law, visit http://www.michigan.gov/som/0,1607,7-192-29939-141369--00.html.

For more information about high school graduation standards nationwide, and particularly your state, visit http://www.achieve.org.
Study: Dollars should Follow Arizona Scholars into Higher Education

By Vicki Murray

On March 14, the Phoenix-based Goldwater Institute released a study recommending a portion of state higher education funding in Arizona go directly to students in the form of grants, rather than to public institutions as lump-sum appropriations.

The study, Cash for College: Bringing Free-market Reform to Higher Education (written by the author of this article), contends state-level grants would help expand students’ educational options and improve higher education’s overall efficiency.

“Ensuring access to affordable post-secondary education is an especially pressing policy concern for high-growth states such as Arizona, which has three public research universities and 20 community colleges. The state’s universities are projected to see an enrollment increase of 70,000 students through 2020—one of the highest undergraduate enrollment increases in the nation.

In the face of rising tuition and rapidly growing enrollment, policymakers are looking for cost-efficient ways to expand capacity. Using existing capacity at private colleges and universities is an important step toward that goal. The Arizona Commission on Postsecondary Education lists more than 370 private post-secondary institutions offering a wide array of programs, from certifications and associate degrees to undergraduate and graduate degrees.

“Giving each student the ability to direct her share of state education dollars to the institution of her choice empowers her to make the educational decisions that are best for her,” said John Munger, former president of the Arizona Board of Regents. “At the same time, the student’s economic power compels the institutions to compete for her dollars by meeting her educational needs and doing so efficiently. This is far superior to simply providing institutions lump sums and letting the bureaucracy decide what is best for that student.”

Current System Bypasses Students

Enrollment growth at Arizona private post-secondary institutions outpaced the growth of their public counterparts by more than four to one over the past decade. Private institutions in Arizona have also edged past state universities in first-time, full-time freshmen enrollments. Letting students use grants at any college or university of their choice, public or private, would treat private colleges and universities as equal partners in the provision of higher education and improve the overall efficiency of post-secondary education through competition.

Currently, public institutions of higher learning are driven by inputs, or funding, not outputs, such as student achievement or graduation rates. As Arizona Republic columnist Robert Robb noted on March 31, “The economics of higher education are out of whack because there is a disconnect between buyers and sellers. Buyers (students) are subsidized. Except for student loans, however, the subsidy isn’t even directed by the buyer. It goes directly to the higher education institution. As a result, institutions of higher education, particularly public ones, don’t have to be as student-focused... That contributes to poor completion rates, a particularly acute problem here in Arizona.”

According to a 2004 report published in the Chronicle of Higher Education, only 48 percent of students attending the state’s post-secondary institutions graduate within six years, “one of the lowest rates in the country.” In addition, data from the National Center for Education Statistics indicate less than 25 percent of first-time, full-time Arizona community college students finish their two-year degree programs in three years.

More money is not the answer. In Going Broke by Degree: Why College Costs so Much (AEI Press 2004), Ohio University economist Richard Vedder finds that nationwide, just 21 cents of every additional inflation-adjusted dollar per student since 1976 was actually spent on undergraduate teaching. Yet from 1976 to 2001, the difference between the rise in tuition and the overall inflation rate increased more than 106 percent at four-year research institutions, and 65 percent at two-year, non-research institutions, Vedder notes.

Money is Available

An October 2005 USA Today survey found two of Arizona’s three public universities have led the nation in tuition increases since 2002. The University of Arizona (UA) ranked first with a 74.1 percent increase, and Arizona State University (ASU) ranked fourth with a 70.4 percent increase. This January, both proposed additional tuition hikes for 2006-07—5 percent at UA and nearly 9 percent at ASU.

If recent history is any indication, average in-state tuition could jump from $4,500 to nearly $10,000—roughly a quarter of a typical Arizona family’s annual household income—in just a few years.

Colorado a Model

In 2003, Colorado implemented the country’s first statewide higher education grant system, called the College Opportunity Fund. Colorado no longer makes lump-sum payments to its public institutions for undergraduate education. Instead, funding goes directly to state undergraduates in the form of stipends. Like the federal Pell Grant program, students can use their grants at any in-state college or university they choose, public or private.

In Arizona, state and local lump-sum funding to its 25 public colleges and universities just for operations, which excludes capital and construction expenses, exceeds $1.3 billion annually. That’s enough to give every projected resident student likely to enroll in the state between 2006 and 2018 (nearly 110,000 students) an $8,000 grant annually to attend a four-year institution or a $5,000 annual grant to attend a two-year college.

That would leave intact the $2.4 billion in annual revenue Arizona public institutions currently receive from tuition and fees and all other revenue, including local, state, and federal grants for capital and special projects as well as private gifts and grants, and endowment and auxiliary revenue.

New Vision Welcome

“Transitioning toward a student-centered funding system for higher education would improve efficiencies in the current system and help address the problem of skyrocketing tuition prices,” said Goldwater Institute Fellow Dan Lips. “This proposal makes sense for students and taxpayers.”

Under the proposed system, students would be responsible for paying tuition and would be required to sign contracts promising to meet the academic standards set by the institutions where they enroll and to repay their grants in full if they drop out of school before completing their degree.

The study finds that tying operating funding directly to students and indexing grant amounts to inflation would save an estimated $768 million annually over Arizona’s current lump-sum funding system, which isn’t based on student counts or inflation. Having to compete for students also would put powerful pressure on the state’s public and private institutions of higher learning to keep costs and tuition down, lest they risk losing students and their accompanying education dollars. As Robb summed up in his March 31 column, “So, instead of lobbying legislators, colleges and universities would get their money by competing for students through offers of better learning environments and experiences.”

Vicki Murray, Ph.D. (thymos1@cox.net) is an independent education policy researcher based in Paradise Valley, Arizona. She is the former director of the Center for Educational Opportunity at the Goldwater Institute in Phoenix, and author of Cash for College: Bringing Free-market Reform to Higher Education.

Maine Supreme Court Denies Public Funding for Sectarian Schools

By Karla Dial

On April 26, the Maine Supreme Judicial Court ruled in a 6-1 decision that the state is not required to publicly fund religious schools under the Town Tuitioning Program, effectively ending a 15-year legal battle over school choice.

Town tuitioning programs are old-fashioned ways of giving parents in small rural towns that don’t operate their own high schools subsidies to pay for their children’s education in nearby towns. Tuitioning programs exist in only two states: Vermont’s program has been operating since 1869, and Maine’s since 1873.

For 98 years, Maine paid for children in the program to be educated at any school of the parents’ choosing, including private religious schools. But in 1981, the state attorney general declared the policy an unconstitutional breach of the “separation of church and state.” The state legislature then codified his determination into law and the state’s courts have perpetuated it, despite a 2002 ruling by the U.S. Supreme Court saying it is in fact constitutional to include religious schools in state-funded choice programs.

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"Justice Donald Alexander wrote for the majority that using taxpayer money to pay for private religious education would be an example of ‘excessive entanglement between religion and state’ ...”

In a news release issued on the day of the court’s decision, the MCLU claimed its “chief concern is that government-funded religion could quickly lead to government interference with religion.”

IJ senior litigation attorney Dick Komer called the court’s decision “viewpoint discrimination.” He had argued before the court on behalf of eight families in three towns who sent their children to religious schools and were then denied the state funding their public-school-going neighbors received.

Justice Robert W. Clifford, the lone dissenter on the court, agreed with Komer, writing that excluding parents who choose religious schools “is blatant discrimination that reflects not a neutrality toward religion, but rather an animus against religion.”

Considering an Appeal

The ruling may jeopardize a decision the townpeople on one island off Maine’s coast reached in March to publicly fund their children’s education regardless of the type of school the parents choose to send them to on the mainland.

Because many of the people of Swans Island were educated under the Town Tuitioning Program at private religious schools before 1981, they said they saw no problem with paying for the current generation of children to be sent to religiously affiliated schools.

“If we had won our case, I think the Swans Island people would be in the clear and no idiot would sue them,” Komer said. “Now that we’ve lost it, I think it’s entirely possible for the MCLU to go after them.”

The MCLU did not return calls for comment by press time. Komer said IJ is considering an appeal.

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

INTERNET INFO

The Maine Supreme Court’s April 26 decision in Anderson v. Town of Durham is available through PolicyBot™, The Heartland Institute’s free online research database. Point your Web browser to http://www.heartland.org, click on the PolicyBot™ button, and search for document #19060.
Change Brewing for New Jersey School Construction

By Neal McCluskey

Change is coming in the next few months for New Jersey's Schools Construction Corporation (SCC), a troubled entity charged with overseeing the construction of educational facilities in the state's poorest districts. How much change will actually happen remains unclear, thanks to a state budget "crisis" and potential taxpayer revolt.

In February 2006, Gov. Jon Corzine (D) appointed an Interagency Working Group to examine the state's entire school construction program, including the SCC. In a March report the group recommended folding the SCC into what it is provisionally calling the "New Authority for Schools."

The SCC traces its roots to a 1998 New Jersey Supreme Court order requiring the state to improve the physical condition of schools in 31 of the state's poorest districts.

The corporation was created in 2002 by executive order of former governor James E. McGreevey. It began receiving considerable scrutiny in April 2005, when a state inspector general (IG) report detailed considerable waste and mismanagement by the corporation. The IG found, among other things, that the SCC had paid private contractors hundreds of millions of dollars beyond originally contracted amounts and had furnished money for projects that were not eligible for funding, such as new parking facilities and athletic fields.

"[The New Jersey Schools Construction Corporation] began receiving considerable scrutiny in April 2005, when a state inspector general report detailed considerable waste and mismanagement by the corporation."

Finishing the Job

Things worsened for the SCC in June 2005, when John F. Spencer, the entity's chief executive officer, told the state's General Assembly the corporation would be able to complete only about half of the 135 projects it had undertaken with the $6 billion allocated for them. Two months later, Spencer announced his resignation.

When the Interagency Working Group issued its first report to Corzine on March 15, 2006, the SCC remained in dire straits, with the working group estimating the corporation would fall short on the cost of current projects by between $300 and $400 million.

"The underlying theme to all of this is gross mismanagement," said Gregg Edwards, president of the Center for Policy Research of New Jersey.

Finding Permanent Replacements

In its March report, the working group offered both short- and long-term fixes—not just to correct SCC mismanagement, but to overhaul the state's entire school construction initiative.

In the short run, the group recommended the SCC continue to oversee the completion of work currently underway. To ensure the work is completed as efficiently as possible, the group said a permanent CEO would have to be found for the SCC quickly—it has not had one since Spencer's resignation became effective in September of last year—and the corporation would have to be restructured to "create a management system that can effectively and efficiently implement the goals of the school construction program."

In the long term, the working group said, a "New Authority for Schools" should be created, one "dedicated solely to the management of school construction with a governance and oversight board." The new entity would be a division of the state's Treasury Department and handle all new projects and funds.

Recommitting to Purpose

In addition to discussing the operations of the SCC and its successor, the working group emphasized the state was losing sight of the broader goals of school construction. It called for "major operational and programmatic changes ... necessary to move forward with a school construction program" and said "a recommitment to the broader purpose beyond the building of schools, which includes revitalization of communities linked to their urban planning and economic growth, is necessary."

In service of these broader goals, the working group recommended communities "incorporate the investment in new facilities into the framework of an urban plan."

But finding money for new school construction and community revitalization might be difficult. In March, characterizing the state's financial situation as a "crisis," Corzine released a budget containing significant statewide spending cuts. And in April, voters statewide passed only 53 percent of school district budgets, the smallest percentage since 1994, suggesting they might be getting tired of escalating school spending.

"In March, ... [Gov. Jon] Corzine released a budget containing significant statewide spending cuts. And in April, voters statewide passed only 53 percent of school district budgets, the smallest percentage since 1994 ..."

Addressing the Future

Steven Lonegan, executive director of the New Jersey chapter of Americans for Prosperity, agreed the widespread budget defeats might be a sign of a taxpayer revolt, but said state policymakers have actually "taken the budget turnout as a message from voters that [state politicians] have to take over for these districts."

Edwards suspected that despite the current tough budget talk, school construction would eventually get more funding.

"When [Corzine] thinks things are in better shape, they'll go back to a lot of spending," Edwards predicted.

On May 17, the working group published another report, summarizing its findings and recommending that more schools be restored as quickly as possible. At press time, the funding for that project appeared to be an ongoing source of debate.

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INTERNET INFO


Colorado
Continued from page 1

tive, state-approved induction program that includes coaching, mentoring, and professional development while on the job. The second method enables professionals from private schools, the business sector, higher education, and other fields to enter public school administration with an initial license that may be renewed every three years for the duration of their career. Such individuals may choose to seek a full professional license by earning a master’s degree.

House Bill 06-1023, sponsored by state Rep. Keith King (R-Colorado Springs) and state Sen. Sue Windels (D-Arvada) but then amended significantly during markup, would have required everyone seeking professional principal licensure—even those hoping to be licensed through the alternative route—to have at least three years’ teaching experience and a master’s degree.

In his veto message, Owens said he opposed the bill because “adding a prescriptive academic obligation for principal licensure will serve to deter otherwise qualified individuals from this role and place an additional burden on our rural districts in drawing qualified personnel to their districts.”

Reversing Bill’s Intent
When first introduced, King’s bill would have made changes to the state’s two alternative teacher-certification programs and would have eliminated the teaching and master’s degree requirements from professional principal licensure. That would have enabled alternatively certified principals to qualify for professional principal licensure without a master’s degree. King, who was the prime House sponsor of the alternative certification legislation in 2004, believed the provision would have made it easier for talented principals with initial certification to earn full licensure.

“The Colorado Gov. Bill Owens (R) vetoed a bill that would have added new restrictions to the state’s two-year-old alternative certification program for school principals.”

The bill, however, was changed dramatically during the House Education Committee markup. State Rep. Angela Paccione (D-Fort Collins) proposed an amendment to require both traditional- and alternative-certification candidates to have at least three years of teaching experience and a master’s degree. The change essentially would have eliminated the alternative track, since alternatively certified principals would have to meet the same requirements as traditionally certified individuals. The only difference was that alternatively certified principals would be allowed to earn a master’s degree while on the job. The amendment was adopted, said she believed the final legislation vetoed by the governor.

“Had it been signed into law, this bill would have posed unwarranted barriers to hiring qualified principals from public charter schools, private schools, and other leadership fields,” King said. “Alternative certification enables us to bring in new perspectives and vitality into public education. This bill would have effectively closed that door.”

Requiring Education Background
The Colorado Education Association (CEA), the state’s largest teachers’ union, opposed the initial version of King’s bill and supported the Paccione amendment.

“A principal’s primary role is an instructional leader,” CEA spokesperson Deborah Fallin said. “We believe someone who has been doing something else [other than education] should have some grounding in education.”

State Sen. Sue Windels (D-Arvada), who sponsored the bill through the Senate after the Paccione amendment was adopted, said she believed the amendment would “make all [principals] end up in the same place with the same skills and the same qualities.”

Finding Fresh Ideas
King, however, opposed the one-size-fits-all mandates in the final version of his bill. King noted alternative certification helps schools fill positions that might go unfilled because of a shortage of traditional candidates. According to the governor’s veto message, 90 percent of public school principals in the state are 55 years of age or older. A “narrow definition” of adequacy, Owens stated, would not guarantee high-quality principals but would impair districts’ ability to recruit strong candidates.

Krista Kafer (kristakafer@msn.com) is a freelance writer in Denver, Colorado.

Education and Capitalism

How Overcoming Our Fear of Markets and Economics Can Improve America’s Schools
By Herbert J. Walberg and Joseph L. Bast

“Walberg and Bast have written a scholarly, readable, and timely book that cogently explains how market competition can promote school improvement. I recommend it as a college-level text in economics, education or public policy, and to anyone who cares about the education of our children.”

JOSEPH P. VITERITTI, NEW YORK UNIVERSITY

Send check or money order for $15 + $3 shipping and handling to The Heartland Institute at 19 South LaSalle Street #903, Chicago, IL 60603. This and other great books are also available for purchase on our Web site at www.heartland.org.
Maryland and Pennsylvania Take Up Measures Aimed at Student Obesity

By Michael Coulter

Childhood obesity is a growing concern for health advocates and educators alike. In efforts to curb it, some states are turning to controversial measures that include having schools report children’s body mass index (BMI) to their parents.

This spring, Maryland state Sen. Paul Pinsky (D-Prince George’s County) introduced a bill requiring the state’s public schools to determine the BMI of students and screen for diabetes. The law also would have required county education boards to promote healthy nutrition and wellness programs.

Pinsky’s bill, S.B. 457, met with opposition in both the Maryland House and Senate, and the provisions for state-wide BMI measurements were removed before it reached the full Senate.

“The [Centers for Disease Control and Prevention] calls [obesity] an epidemic and I don’t think the school system should put our heads in the sand,” Pinsky told CNN on March 6.

Controversial Measures

Pinsky’s bill would have required county boards of education to collect children’s health information and distribute it to their parents. It also would have required those boards of education to limit allegedly unhealthy foods served and sold in school cafeterias.

State Del. Anne Kaiser (D-Montgomery County) agreed with Pinsky about the need for action on childhood obesity. She introduced a similar measure in the Maryland House of Delegates on February 10.

But both bills encountered opposition in committee. The Senate’s Education, Health, and Environmental Affairs Committee and the House’s Ways and Means Committee removed the provisions that would have required state-wide collection of BMI data.

“People were nervous that parents would receive a report card that said that your kid is fat,” Kaiser explained.

The amended versions of both bills would have established a Maryland Obesity Awareness and Prevention Blue Ribbon Panel, a proposed 18-member committee of executive branch officials, one state House member, one state Senate member, and 14 private citizens appointed by the governor.

That panel would make recommendations to the legislature for improving student health. The Senate bill also called for Prince George’s County to develop a pilot program for reporting BMI scores to parents.

On March 24, the House version passed 131-5. On March 27, the Senate version passed 37-10. State Sen. Janet Greenip (R-Arundel County) thought schools opposed the BMI provision and voted against the final version of the bill.

“What they can’t get passed in a bill, they set up a commission to implement,” Greenip said.

On April 8, a conference committee was appointed from the House and Senate to reconcile the two versions, but it never met because the legislature recessed on April 10. Kaiser said there would not have been time for the legislature to have three readings of the bill, as required by the state constitution.

Growing Problem

But in neighboring Pennsylvania, similar measures have been implemented this school year with little fanfare.

On September 4, 2004, the state health department issued a regulation requiring students in kindergarten through fourth grade in 2005-06 to have BMI calculations performed as part of school health screenings. That information is given to parents, along with health information related to obesity.

For the 2006-07 school year, the Pennsylvania requirement will cover students from kindergarten to eighth grade. In 2007-08, all students will be covered.

“We wanted parents to have more information and to understand risk factors,” said Pennsylvania Department of Health spokesman Richard McGarvey.

“As we look at the information on obesity, it seems that the problem is getting worse.”

Concerned Advocates

McGarvey said the BMI measurements were a simple addition to the state’s existing requirements concerning collection of information about children’s height and weight.

McGarvey said the BMI measurements were a simple addition to the state’s existing requirements concerning collection of information about children’s height and weight.

“We need to make sure that new programs don’t exacerbate unhealthy eating patterns,” said Bryn Austin, assistant professor of pediatrics at Children’s Hospital of Boston and a member of the Academy of Eating Disorders (AED). “We don’t want new reporting requirements to lead to greater weight-related teasing and bullying [in school settings].”

Michael Coulter (mjcoulter@gcc.edu) teaches political science at Grove City College in Pennsylvania.
Government’s Distrust of Innovation Disserves Children

Editor’s note: This is the sixth of a seven-part series showing why charter schools do not have the freedom needed to create significant educational improvements through innovation.

By Michael Strong

Innovative products are rarely of high quality when they are first produced. The literature on technological innovation speaks of “early adopters” as those customers who are eager to try new, unproven products. Not all products that succeed with their “early adopters” eventually obtain a larger customer base, but some do. But the period during which a product satisfies an early adopter niche is often a period in which the product quality develops considerably.

In a sense, those early adopter customers are partners in the product development process—they provide feedback and a testing ground for new products for the formative years in a product life cycle.

In keeping with this common product development cycle, Moreno Valley High School (MVHS)—a charter school in Angel Fire, New Mexico—had a devoted following among early adopters. In the world of technology, this customer base would have allowed ongoing research and development, leading to ever-improved performance and marketing, which in turn would have allowed the entrepreneurs involved to create a better product that would then reach more people (possibly at an ever-decreasing cost). But the charter school world is not the technology world.

Political Compromise

The charter school movement came into being as a school choice compromise. An increasing number of former public school supporters had concluded the public school system was incapable of innovating. Those same people were reluctant to support school vouchers, fearing religious schools and for-profit schools alike, and they liked the local community democratic approach of public charter schools. Many school choice supporters have supported the charter school movement as better than no choice at all.

And yet as so often happens with political compromises, as so often happens when policies are seen through the eyes of the state, the original rationale and justification for school choice have become lost in the charter school movement.

With school choice as originally envisioned, parental choices themselves constitute the accountability mechanism. As with all markets, producers must satisfy consumers in order to stay in business.”

Los Angeles

Continued from page 1

Compton Unified School District (CUSD) fail to adequately inform parents of children zoned to attend failing schools about their transfer options under the federal No Child Left Behind Act (NCLB). The school districts had until late May to file a response to the allegations, which was pending at press time.

In a May 1 letter to California State Board of Education President Glee Johnson and Superintendent of Public Instruction Jack O’Connell, Spellings said, “it is usually best to allow matters such as these to be resolved at the local and state level,” but she added the federal government is “mindful of our own compliance responsibilities and remedies.” If the districts fail to comply with the law, Spellings could cut off their federal funding.

According to a 2004 report from the Citizen’s Commission on Civil Rights—a Washington, DC-based watchdog group—only 1 percent of the more than three million children trapped in failing schools nationwide have taken advantage of their government-mandated option to attend a better school. According to the Los Angeles lawsuit, only 527 of the 250,000 students eligible for transfers—0.2 percent—have done so. And in CUSD, none have, because the districts have not told parents about their options.

Failing Schools

“Compton has not transferred one student since NCLB became law five years ago. Not one,” said John Mancino, CURE’s director of external affairs. “I did get a copy [of school choice policies] from Compton that included a letter that supposedly went out to parents notifying them of the school choice options and NCLB, but it makes very little mention of it and goes on to play up the after-school option and tutoring, which is what LAUSD had done.

“When we requested information from Compton before [receiving that policy], the previous letter made absolutely no mention of school choice at all. Not one word, so it’s extremely frustrating. Protecting power is more important [to them] than protecting students,” Mancino said.

“Protecting power is more important [to school district officials] than protecting students.”

JOHN MANCINO
DIRECTOR OF EXTERNAL AFFAIRS
COALITION FOR URBAN RENEWAL AND EDUCATION

LAUSD is the district with the largest number of students in failing schools who are eligible to transfer under NCLB—not just in California, but nationwide. The situation is so dire that at press time, Los Angeles Mayor Antonio Villaraigosa (D) was taking steps to bypass voters and the local board of education in order to assume direct control of the schools.

Creating Options

If the lawsuit is resolved in the complainants’ favor, Alliance for School Choice President and general counsel Clint Bolick said, it could result in broader options for parents in Los Angeles. And because the case is filed on federal grounds, citing provisions of the No Child Left Behind Act, it could have ripple effects nationwide.

“I think that the law puts school districts between a rock and a hard place. On the one hand, they are obligated to provide public school options in their districts—but in most districts, there are no better-performing public schools,” Bolick said. “So something has to give. We predict what will give is the limiting of such options to public schools within the districts. We will see inter-district transfer options, the lifting of obstacles to public charter schools, the expansion of options to include private schools, or some combination of those.”

The situation has not gone unnoticed at the federal level. The day before they filed the lawsuit, the Alliance for School Choice and CURE wrote directly to Spellings, asking her to take independent action against the districts for non-compliance with the law. In early April, Spellings announced in a speech that she had directed Henry Johnson, head of the federal Office of Elementary and Secondary Education, to investigate.

Preventing Choice

Bolick said he was unsure how long the suit might take to resolve, calling it “a really murky process.” But it did not appear to be moving fast enough to help Rhonda Mumphrey find a good school for her son by this autumn.

“With school choice as originally envisioned, parental choices themselves constitute the accountability mechanism. As with all markets, producers must satisfy consumers in order to stay in business.”

Mumphrey, an insurance agent, has been looking for a better school than the one in her gang-violence-ridden neighborhood since her son was 3. He’s 6 now, but Mumphrey hasn’t found another public school she likes, her child hasn’t been accepted at the private schools she’s applied to, and they didn’t win the lottery system by which students are selected to attend local charter schools.

“It’s not for lack of trying—it just seems like nobody cares,” Mumphrey said. “If you call the public schools outside of your area, you’re told your child can’t go there because you live outside their area. The bottom line is my child doesn’t have a school, and it’s May and I’d feel better if he had a better option. I don’t feel that just because I live in this neighborhood that he has to go to this school. It just seems like the voucher system would be the way to go.”

Neither the LAUSD nor the CUSD returned calls seeking comment.
which consumers want.” An inferior education would not last in the educational marketplace, because competing schools would strive to provide a better product at a lower price.

Different Expectations
But different customers might have different perceptions of what counts as “quality.” Some computer customers prefer Mac OS, while others prefer Windows.

In MVHS’s case, those parents and students who prefer a school at which curriculum is covered didactically may choose other schools (and have). Those parents who prefer a twenty-first century interpretation of a classical liberal arts curriculum, which is what MVHS amounts to, are free to choose it. One-fifth of the MVHS student body travels two hours per day in order to attend, and several parents have deliberately relocated to Angel Fire in order to enroll their children there. MVHS is meeting the needs of at least some customers in the marketplace and therefore has been a success.

But it was not a success when seen through the eyes of the state. In addition to the various failures to conform to state requirements that occurred in the first few years, additional legislation has created increased pressures to conform. When MVHS opened in 2002, charter school administrators were not required to be licensed by the state. Indeed, the MVHS charter, as approved by the state board of education, explicitly stated the MVHS board reserved the right to set administrator qualifications.

“[T]he original rationale and justification for school choice have become lost in the charter school movement.”

as it saw fit.

But in 2003, Democrat Bill Richardson, who had campaigned as an education reform candidate, replaced the libertarian-inclined Republican governor, Gary Johnson. Shortly after Richardson entered office, he successfully backed an extensive education reform bill, which, among other things, required all charter school personnel to be licensed.

MVHS founder Michael Strong was not a licensed administrator. In order even to enter an administrative licensure program in New Mexico, one had to have seven years’ experience as a licensed public school teacher. Strong had never been a licensed teacher. There was no way for him to fulfill the required conditions, and he was thus forced to resign as of June 30, 2004.

Conformist Approach
His immediate successor lasted one semester, and the district took over MVHS briefly while it searched for a suitably qualified administrator. Fortunately, a highly experienced public school principal joined the school in the winter of 2005.

For those who were uncomfortable with Strong’s various innovations and somewhat chaotic leadership, the new administrator is a welcome presence. For those teachers and families who joined the school specifically out of an attraction to Strong’s pedagogy, it remains to be seen whether the new administrator will be able to continue shepherding the school in the same direction.

Although MVHS won a grant to disseminate its physical education program to other charter schools, the Socratic Practice component of the program may succumb to pressures to conform. The most uncompromisingly Socratic teacher at MVHS chose not to return for the fall of 2005, due to concerns that the school was becoming more conventional. In the absence of Strong’s aggressive advocacy and implementation expertise, it would be reasonable to expect the program to become more conventional, especially in light of the fact that Strong’s predilections for hiring uncertified personnel and for encouraging faculty not to cover standards might be regarded as illegal if not merely unprofessional.

A responsible, professional, certified administrator leading a precarious and often-attacked charter school with a history of failing to conform to state requirements in many respects would not continue emphasizing the non-conforming aspects of the program.

And yet insofar as charter schools were conceived as a means for educational innovators to improve education, the MVHS story is a case study in the failure of charter schools to fulfill their mission as innovators. Although there was interest from Taos, Santa Fe, Silver City, and elsewhere across New Mexico in replicating MVHS, once Strong left the school those efforts collapsed. MVHS had been actively seeking grants to support replication prior to his departure. An obvious benefit of replication from the perspective of the MVHS board itself was that it would allow Strong to focus on vision and pedagogical leadership, his strengths, while funding a more hands-on administrator to focus on the day-to-day tasks Strong did not particularly care to focus on.

Michael Strong (michael@flowidealism.org) is CEO and chief visionary officer of FLOW, Inc., a group working to achieve world peace, prosperity, happiness, and sustainability in 50 years.

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Education Expert Calls for Educational Freedom Day

By David Kirkpatrick

June 1 marks an important anniversary in the fight for school choice. On June 1, 1925, the Pierce decision of the U.S. Supreme Court declared that “the right, coupled with the high duty, to recognize and prepare how their children will be educated. Still the law of the land, the 9-0 decision has never been challenged and is not likely to be.

Yet it is doubtful that one person in a thousand could identify the subject of the case if they were asked to do so. Not that it is totally forgotten: A Google search for “Pierce v. Society of Sisters” listed 3,210 sites. However, most are sources of limited circulation.

This lack of awareness is demonstrated by supporters of school choice, who argue parents should have the right to determine how their children are educated. This, as the Court made clear, is a right they already have. What too many families lack is the financial ability to exercise this right, whether by sending their children to an independent school, homeschooling, or, as millions do, by at least being able to afford living in the school district or attendance area of a school they wish their child to attend.

In brief, the battle over school choice is how to make it possible for low-income parents to exercise [a] civil right they already have.

Creating Wards of State

Many school choice opponents are more concerned with protecting their jobs and their special interests than with the education, welfare, and constitutional rights of the students. And there are those who sincerely believe government can do a better job of educating, or training, children than can parents. That idea has a long history.

Sparta, an ancient Greek city-state from 400-600 B.C., took all boys from their families at age 7 and placed them in state-run boarding schools. Parents cannot be trusted. Liberty and choice are dangerous to society.” Perhaps that was sarcasm. Still, many believe this, whether they state it so explicitly or not.

Observing Freedom Day

Those who support parental rights in education should never forget June 1 as the anniversary of the Supreme Court’s declaration of parental independence. And why not go further?

There are countless national days, weeks, and/or months honoring this, that, or the other thing. Why not recognize June 1 of each year as Educational Freedom Day? Hundreds of such observances across the nation could regularly recognize and emphasize the essential constitutional principle upheld in the Pierce decision.

At the very least, all education entities—departments of education, school buildings, and collegiate and university schools of education—should have over their doors these words from the Pierce decision: “The Child Is Not the Mere Creature of the State.”

David W. Kirkpatrick (tchwrter@aol.com) is a senior education fellow at the U.S. Freedom Foundation in Washington, DC. This article, reprinted with permission, originally appeared in the April 6 edition of School Report.
Some good things happened to us. Our mayor, who was a Democrat and came into our effort halfway through, supported us. We had council people that stood up and put themselves in political jeopardy by supporting us. We had legislators, senators, and congressmen that voted our way.

We had wonderful things that happened, and a lot of support that ultimately came about, but I assure you the grassroots effort was the icing. It was an incredible effort.

Victory achieved
Of course we won, as most people know. It was a wonderful, wonderful win for the parents of the District of Columbia. Low-income parents were not accustomed to raising their voices, having them heard, and being successful and getting what they needed for their families.

So we're now working with the organization that administers the scholarship program. On the first day we had a meeting and somebody asked if I could organize parents for this effort, to sit down and talk with parents who are the recipients of the scholarships. It has been a grand, grand thing for me.

Last week we had a dinner in celebration of this program, and 500 of those parents were there and their children—176 children. They came right from school, because it was an early evening meal, and they were in uniform, their faces shining, their parents smiling. I got hugs that night, many hugs. It was just incredible. It was a magical night. I remember looking out at the audience and thinking, “I promised them we would be here one day, and here we are.” And that’s where you have to go.

“A Magical Night”
Editor's note: In October 2005, Virginia Walden Ford—executive director of D.C. Parents for School Choice, the organizing force behind the two-year-old and at-capacity school voucher program in the District of Columbia—spoke at a luncheon hosted by the Illinois School Choice Initiative, a project of The Heartland Institute, about the D.C. School Choice Incentive Act passed by Congress in 2003. Her comments are excerpted below in the last of a several-part series.
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Only 40% enroll directly in college.  
Only 18% complete an Associate’s or Bachelor’s Degree.  
82 out of 100 ninth graders don’t make it.*  

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