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# School Reform News

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THE MONTHLY NEWSPAPER FOR SCHOOL REFORMERS

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## Mo. Considers Tax Credits for Scholarships

By Michael Coulter

A plan to create tax credits for individuals and businesses that contribute money to K-12 scholarship organizations was introduced in both chambers of the Missouri General Assembly this spring, where it reached the House floor with a favorable vote from the Education Committee.

The Senate held several hearings on the bill, but it was not brought to a vote by May 12, the last day of the 2006 session.

MISSOURI p. 13

## Illinois Governor Proposes Selling State Lottery

By Steve Stanek

Illinois Gov. Rod Blagojevich (D) has proposed selling or leasing the state's lottery to provide several billion dollars in immediate funding for the state's public schools.

The governor announced his proposal May 23, saying he expects \$10 billion from a sale or long-term lease. He would use \$4 billion of the proceeds over four years to boost operating funds, build and repair schools, expand preschool programs, and buy new textbooks.

The remaining proceeds would be

LOTTERY p. 4

## Boys Behind in Graduation Rates: Study

By Kate McGreevy

A wide gender gap in high school graduation rates is most pronounced among minorities in large urban school districts, according to a report from the Manhattan Institute.

"Leaving Boys Behind: Public High School Graduation Rates," released in April 2006, was written by Jay P. Greene and Marcus A. Winters and funded by the Bill and Melinda Gates Foundation.

"The report does not say why gradua-

BOYS p. 14

## Texas Legislators Solve School Finance Problems, At Last



On March 17 all magnet sophomores and juniors went to Austin for the magnet field trip, where the leadership academy met Governor Rick Perry.

By Connie Sadowski

A package of five bills drafted to satisfy the November 2005 Texas Supreme Court ruling that required the state to reduce its reliance on property taxes to fund public education has received the state comptroller's certification and was signed into law on May 24 by Gov. Rick Perry (R).

The bills resulted from a 29-day special session of the Texas

Legislature—its third since last November—to satisfy the court's June 1 deadline to solve the school funding issue.

### Canvassing the State

A bipartisan Tax Reform Commission began meeting in November 2005 with former Texas Comptroller John Sharp (D) as chairman and 24 business leaders who represented various Texas industries. The commission conducted

16 public hearings statewide, taking oral and written testimony, the effort aimed at reducing local property taxes and closing loopholes in the current state business tax system, under which only one in every 16 Texas businesses pays any business taxes.

In a March 29 open letter to the governor, Sharp said the commission's recommendations agree with opinions voiced during testimony.

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# White House Proposes National Opportunity Scholarship Initiative

By Dan Lips

This spring, the Bush administration proposed an initiative to give thousands of underprivileged children in failing public schools the option to attend private school. A report from the U.S. Department of Education released in February found more than 2,100 public schools have failed to meet adequate yearly progress under the No Child Left Behind Act (NCLB) for five or more years.

President George W. Bush's 2007 budget proposal includes funds for the America's Opportunity Scholarships for Kids initiative. The \$100 million program would provide school vouchers to children in schools in the "restructuring" phase of NCLB. Schools eligible for restructuring are those that have failed to meet adequate yearly progress standards for six or more consecutive years.

**"It could take a few years for a public school to go through the restructuring process. During that time, families deserve options."**

**TOWNSEND MCNITT  
DEPUTY CHIEF OF STAFF  
U.S. DEPARTMENT OF EDUCATION**

The plan calls for the Department of Education to award grants to local organizations that agree to distribute opportunity scholarships to qualifying public school students.

Hundreds of thousands of children across the nation would be eligible to participate; estimates suggest the program could serve as many as 23,000 students. Participating children would receive either a \$4,000 scholarship for private school tuition, or \$3,000 for supplemental educational services or after-school tutoring. The program requires congressional authorization and appropriation, which was pending at press time.

#### Meeting a Growing Need

The Department of Education reports 1,065 schools currently qualify as "restructuring" under No Child Left Behind. Next year, as many as 1,000 additional schools may also qualify.

Townsend McNitt, deputy chief of staff at the U.S. Department of Education, explained the Opportunity Scholarship initiative was designed to meet the growing need for more school choices under NCLB.

"As more and more schools enter the restructuring phase, we believed that it was important to expand upon the existing parental choice components of No Child Left Behind," McNitt said.

"It could take a few years for a public school to go through the restructuring process. During that time, fami-

lies deserve options," McNitt explained. Under NCLB, failing schools are legally required to tell parents about their option to transfer their children to better-performing public schools in the district, and to provide after-school tutoring to students through other providers. "But for families with children assigned to these schools, we wanted to provide the most aggressive choice possible—the choice of a private school, as well as intensive tutoring instruction."

#### Restructuring Thousands of Schools

A May report from The Heritage Foundation found hundreds of thousands of children are currently enrolled in schools that will soon be due for restructuring. Many are located in large school districts. For instance, New York City has 167 schools due for restructuring, according to Department of Education estimates. Those schools enroll approximately 125,000 students.

In Illinois, Chicago Public Schools (CPS) announced in May that 185 schools are scheduled for restructuring—nearly one-third of the city's public schools. At least 121,000 students are estimated to be enrolled in these schools. Some schools will be closed, while others will undergo curriculum and staffing changes. CPS chose to embrace the minimum restructuring options allowed under the law. Chicago would be an example of a school district where children could benefit if the Opportunity Scholarship program is implemented.

For school choice advocates, the Opportunity Scholarship initiative represents a historic opportunity.

"Millions of children are being denied the parental choice options that are promised to them under No Child Left Behind," explained Matthew Ladner, director of state projects at the Alliance for School Choice in Arizona. "The America's Opportunity Scholarship for Kids initiative would provide real school choice to thousands of children attending persistently failing schools. For these children, scholarships will mean the path to a quality education and a brighter future."

#### Showing Need for Choice

In addition to helping students currently trapped in failing schools in large urban districts, Ladner said, the new initiative could demonstrate why all children need choices nationwide.

"If passed," Ladner said, "the Opportunity Scholarship program could lead to future student-centered reforms at the federal level."



Backers recognize the Opportunity Scholarship proposal faces an uphill battle on Capitol Hill. In 2002, in the first NCLB proposal, the Bush administration included a school voucher plan for children in failing schools, but it was removed early in the legislative process. But choice proponents say congressmen should find it difficult to deny choices to students who are stuck in chronically failing schools for six years.

"It took four or five years to pass the D.C. opportunity scholarship program," McNitt explained. (The program offers low-income parents up to \$7,500 in scholarship funds for children to attend private elementary or high schools.) "But the dynamics are a bit different for this proposal because we're talking about restructuring schools [that are long-term underperformers under NCLB]. We're hopeful that this will move more quickly. There has already been some interest on Capitol Hill."

#### Pressuring Legislators

School choice supporters agree the Opportunity Scholarship program would put additional pressure on lawmakers, because it is geared to serve underprivileged children in persistently underperforming schools.

"Members of Congress need to know that thousands of children in their district are trapped in public schools that have failed for six or more years. How can they not support a new program to give these children the opportunity to attend better schools?" Ladner asked. "How much longer do these kids have to wait?"

Dan Lips ([dan.lips@heritage.org](mailto:dan.lips@heritage.org)) is an education analyst with The Heritage Foundation, a public policy think tank in Washington, DC.

## INTERNET INFO

The Heritage Foundation's report on the America's Opportunity Scholarship for Kids initiative is available online at <http://www.heritage.org/Research/Education/bg1939.cfm>.

# Lottery

Continued from page 1

invested, and principal and interest would be drawn down and paid out to the schools until the money was exhausted, expected to occur in 2024. The state's public schools would receive \$650 million each year until then. That is how much the Blagojevich administration estimates the lottery would generate for the state's schools for the budget year that begins July 1, if the lottery stayed in the state's hands. After 2024, there would be no more lottery money for the public schools, as the lottery would be in private hands.

The proposal requires the approval of the General Assembly, which could come in the fall veto session.

## Speaker Calls for Study

On May 30, Illinois House Speaker Michael Madigan (D-Chicago) sent a letter to state lawmakers calling for an "in-depth review" of the governor's plan, suggesting he has serious reservations about it.

The letter said lawmakers need answers from the governor regarding the "four-year cliff," when the \$4 billion in spending would end, and the "15-year cliff," when the annual \$650 million in school funding would end. Madigan's letter also questioned several other items, including:

- the state's readiness to take over chronically failing schools;
- which schools stand to benefit the most from the plan; and
- whether the lottery operator would be able to expand gambling in the state.

## Political Payoff Alleged

Critics both within the General Assembly and outside it say the proposal does nothing to solve the state's long-term education funding problems. They say it is a political payoff to a Democrat state senator, the Reverend James Meeks of Chicago, who was threatening a third-party challenge to Blagojevich this November over the school funding issue. Meeks acknowledged to reporters he worked with Blagojevich on the proposal before announcing he would not run for governor.

Meeks runs the 20,000-member Salem Baptist Church of Chicago. His candidacy could have taken black voters from Blagojevich, giving a boost to the governor's Republican challenger, state treasurer Judy Baar Topinka.

## Governor: 'Fundamental Change'

Blagojevich announced his plan at a Chicago public school, surrounded by local and state elected officials, educators, and others, including Senate President Emil Jones (D-Chicago).

"This education plan is historic, it's ambitious, and it fundamentally will change the way we educate our kids in Illinois and fundamentally change the way we fund our schools in Illinois," Blagojevich announced. "It's a plan that stresses accountability and

doesn't tolerate failure."

State Sen. Miguel del Valle (D-Chicago), vice chairman of the state Senate Education Committee, told reporters he believes the lottery sale or lease "is probably the largest step" toward school reform he has seen in the General Assembly.

However, Blagojevich provided few details, presenting the plan in a PowerPoint demonstration.

**"He thinks we're simpletons. This is the pattern of a guy who borrows to the maximum, then hocks everything. This is what Illinois is doing."**

**CHRIS LAUZEN**  
**STATE SENATOR**  
**AURORA, ILLINOIS**

## Critics Scoff

The lack of details did not prevent critics from poking holes in what they heard.

"He must think we're all a bunch of jamokes. He thinks we're simpletons," said state Sen. Chris Lauzen (R-Aurora). "This is the pattern of a guy who borrows to the maximum, then hocks everything. This is what Illinois is doing."

Since Blagojevich became governor in 2003, the state's general obligation debt has nearly tripled, from \$7.6 billion to \$20.3 billion. Lauzen noted the annual \$650 million payment would end 18 years from now, and there would be no more lottery money for schools. He also noted the funding estimates depend on the state receiving \$10 billion for the lottery, which is not guaranteed.

Former Republican state Rep. Bob Bergman of Palatine, who remains active in state politics, said the plan insults the intelligence of Illinois voters. "This 'plan' is just another of the promised quick-fixes that have been presented by the bipartisan combine that has run Illinois for the last three decades," Bergman said. "They consider the Illinois electorate a bunch of rubes."

"It's a short-term fix at best," state Sen. William Petersen (R-Buffalo Grove) said of the plan. "There's a four-year infusion of money, then revenue drops off, and so does the governor's term in office, if he's reelected. This is something to grab press and is a blatant buy-off of Rev. Meeks. Like many of the governor's grandiose plans, this will collapse."

## Dems Also Have Questions

In addition to Speaker Madigan, some other Democrat lawmakers are also concerned about the plan.

"The upfront \$4 billion over four years is okay for the short term, but the long-term plans need to be changed," said state Rep. Monique Davis (D-Chicago). "Long term, we absolutely need a stream of dollars that go to



(left to right, top to bottom) Gov. Rod Blagojevich, state Sen. Miguel del Valle, and Senate President Emil Jones support the sale or lease of the Illinois lottery, while House Speaker Michael Madigan, state Sen. Chris Lauzen, and state Rep. Monique Davis have doubts about the plan.

education and are ongoing. This money would be gone by 2025. Our children will be here, and we need to be cognizant of that fact."

Davis said the state cannot pass a sales tax increase or income tax hike "because the governor won't propose it. He absolutely believes it won't pass. I've been in the legislature 19 years. Every governor has had a task force on school funding, and they've all come up with almost the same solution. Very rich school districts should put more toward the income tax. They don't want to do that, and nothing changes. "As we get into the meat of this and

realize extra dollars will be there, at least for a time, I think it will pass" if the measure comes up in the fall veto session, Davis said, because of the Democrats' control of the governorship and General Assembly.

"[Senate President] Emil Jones is supporting this, and so are a lot of education organizations," Davis said, "so I think it has a chance."

Steve Stanek ([stanek@heartland.org](mailto:stanek@heartland.org)) is managing editor of School Reform News's sister publication, Budget & Tax News.



Realtors and property owners gather at the Texas Capitol on April 17 to make their voices heard about using property taxes to fund public education, on the first day of the special legislative session.



## Texas

Continued from page 1

"The school property tax must be brought down," Sharp wrote. "Replacement revenue must be from a broad-based, low-rate source. The state budget must put school children first."

### Rallying in Austin

On April 17, thousands of realtors and property owners joined the governor to kick off the special session on the Capitol steps.

Dennis Patillo, board chairman of the Texas Association of Realtors, described the rally in an open letter to realtors dated May 16, saying, "Realtors converged on the Texas Capitol with one loud and clear voice demanding lower property taxes for all Texans."

"I am certain that this special session would not have ended the way it did without the involvement of our realtor family," Patillo concluded. "Realtors engaged in a way that we never had engaged before."

**"Additional income to fund education also will come from increased sales taxes on cigarettes—up from 40 cents per pack to \$1.41."**

### Broadening Business Tax

The tandem bills will reduce Texans' net tax burden by \$6.9 billion over the next three years and will create a broad-based business tax on gross receipts for companies that earn more than \$300,000 annually. Businesses will pay a 1 percent tax on gross receipts; retailers and wholesalers will pay 0.5 percent, due to their smaller profit margins.

Michael Sullivan, media director of the Texas Public Policy Foundation, a free-market think tank in Austin, appreciates the property tax reduction.

"The Legislature was able to decrease property taxes, and that means Texas really does have a net tax burden decrease," Sullivan said, "and that's a good thing."

### Increasing Business' Burden

Sullivan, however, saw red flags with the business tax.

"A lot of us are going to have to carefully monitor this new business tax," Sullivan said. "That the revenues are dedicated to future tax relief is good. Business taxes can, however, become cash cows—[these taxes] are hidden and are bad for open government."

Pete Sepp, vice president of communications at the National Taxpayers Union, a watchdog group based in Alexandria, Virginia, agreed. "There is more than a little uncertainty about the impact of the new reform package," Sepp said. "On the plus side is the prospect of substantial property tax relief in two or three years, tighter voter control over the future growth of property taxes, and some worthy educational reforms. On the negative side, costly new sops are being thrown to teacher unions, and counterproductive cigarette taxes will be on the rise."

"The big question remains over the impact of the restructured business tax," Sepp noted. "Will a simpler base and a flatter rate trump the fact that more businesses and, by inference, their customers will be forced to pay higher burdens? The answer will depend not only on what this year's legislature has just done, but also on what the next legislature does to cor-

## INTERNET INFO

The report of the Texas Tax Reform Commission can be found at [http://www.ttrc.state.tx.us/files/TTRC\\_report.pdf](http://www.ttrc.state.tx.us/files/TTRC_report.pdf).

A Microsoft PowerPoint presentation of the Tax Commission's findings is available at [http://www.governor.state.tx.us/priorities/tax\\_reform/TTRC\\_report/files/synopsis.ppt](http://www.governor.state.tx.us/priorities/tax_reform/TTRC_report/files/synopsis.ppt).

Materials relating to HB1-HB5, including complete text, audio, fiscal notes, news releases, and written testimony of the 3rd Called Session of the 79th Texas Legislature, are available at <http://www.capitol.state.tx.us>.

Tax rates for cigarettes by state are available at <http://www.taxadmin.org/FTA/rate/cigarette.html>.

rect any flaws in the new system and keep delivering for taxpayers."

### Finding More Funds

Additional income to fund education also will come from increased sales taxes on cigarettes—up from 40 cents per pack to \$1.41. Also, used car purchasers will pay sales tax on at least 80 percent of the car's blue book value; currently the tax is based on a buyer's claimed value.

Perry said in a May 18 statement the business tax package will provide "reliable funding for our school classrooms" and "help deliver a record \$15.7 billion property tax cut for the people of Texas."

### Adding Other Reforms

At the start of the special session the governor called on legislators to focus solely on school finance, but lawmakers found time to make several other reforms as well. Sen. Florence Shapiro (R-Plano), chairman of the Senate Education Reform & Public School Finance Committee, accepted testimony from educators, citizens, and policy organizations. In 29 days, the legislature approved:

- \$1.8 billion in teacher pay increases and incentive pay;
- \$1 billion in local property tax revenues that will remain in local districts instead of being given to other areas of the state;
- local property tax reductions of 17 cents per taxable \$100 of value at the \$1.50 level in the 2007 tax year and an additional 33 cents in 2008;

- \$2,000 across-the-board pay raises for teachers, school nurses, counselors, and librarians;
- tax-free health spending accounts as an option for all education employees;
- higher accountability standards and more transparency of expenditures for school districts;
- locally designed incentive-pay plans that will reward educators who improve student achievement;
- an allotment fund that will provide incentives to school districts to decrease dropout rates, increase graduation rates, and better prepare students for post-secondary education;
- a requirement, effective in 2011, that students take math and science courses in all four years of high school; currently, the minimum graduation requirement is two years of each;
- loosening unrealistic zero-tolerance drug policies by permitting students to self-administer prescription asthma or anaphylaxis medicine;
- setting a uniform election date for board trustees, which must coincide with county and state elections in a common polling place; and
- prohibiting school districts from beginning instruction for students before the fourth Monday of August, starting with the 2007-08 school year.

Connie Sadowski ([connie@ceoatx.org](mailto:connie@ceoatx.org)) is director of the Education Options Resource Center at the Austin CEO Foundation.

## What to Expect from the ExpectMore.gov Site



### By Neal McCluskey

If you visit ExpectMore.gov, a new Web site maintained by the federal Office of Management and Budget (OMB), you can calculate pretty quickly that 47 Department of Education programs are not up to snuff, while 27 are working properly. You also can get a feel for individual programs' strengths and weaknesses, as well as the Bush admin-

istration's plans to improve them.

What you can't yet get is a complete assessment of all federal education undertakings.

ExpectMore.gov was launched in February 2006 in order, according to the site, to report how well hundreds of federal programs are performing and "how effectively tax dollars are being spent."

**EXPECT p. 6**

# Expect

Continued from page 5

The site distills data from the Program Assessment Rating Tool (PART), an accountability system instituted by the Bush administration in 2002 that assesses programs in four major areas: purpose, strategic planning, management, and results.

## Simple, or Simplistic?

From an accessibility standpoint, ExpectMore.gov makes it easy for anyone with a computer to search programs by topic, performance level, name, or keyword. In addition, once a user has pinpointed a program, he can click on a link to it and get easily digested summaries of its purpose and effectiveness, the criteria on which it was assessed, and the actions being taken to improve it. Finally, each program page has "learn more" links at the bottom that direct users to detailed PART results for each initiative, as well as pages outside of ExpectMore.gov that deal with the program.

The site's simplicity, while useful for making PART data accessible, costs it a lot in terms of the depth of its content, said Adam Hughes, director of federal fiscal policy at OMB Watch, a nonprofit organization that monitors the OMB.

"I have a number of issues with how information is presented," Hughes said. "It is like government information for dummies."

**"ExpectMore.gov was launched in February 2006 in order ... to report how well hundreds of federal programs are performing and 'how effectively tax dollars are being spent.'"**

## Congressional Intent

In addition to the shallowness of its content, Hughes said the site reflects only what the OMB would like to see programs produce, which often is different from congressional intent or what stakeholders want.

"The program could be doing exactly what Congress expected it to do," Hughes said, "but OMB might not like that."

Robert Shea, counselor to the deputy director for management at the OMB, disputed Hughes' assertion, saying the "basis for our assessments is congressional intent."

## Getting There

ExpectMore.gov's second major shortcoming is that numerous federal education programs simply have not yet been assessed. These range from huge initiatives such as Title I Grants and Local Education Agencies, to smaller programs such as Exchanges with Historic Whaling and Trading Partners—a cultural education activities program for natives of Alaska, Hawaii, and Massachusetts. All told, reviews for only 74 of roughly 150

Department of Education programs can be found on the site.

Moreover, of the 47 Education Department programs on the site that have been designated "not performing," 41 have been labeled "results not demonstrated" (RND), meaning program administrators have not yet "been able to develop acceptable performance goals or collect data to determine whether [a program] is performing."

David Rowe, Education Branch chief at the OMB, said the absence of so many

programs from the site is only temporary. He noted most of the missing programs will be assessed by the end of the year. As for the programs with undemonstrated results, change is coming there, too, Shea said.

"Our highest priority is to fix those programs," Shea said.

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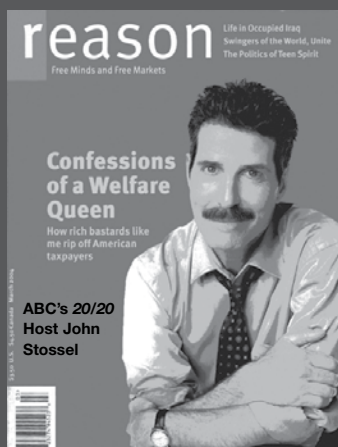
ExpectMore.gov <http://www.whitehouse.gov/omb/expectmore/>.

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OMB Watch <http://www.ombwatch.org/>.

**"I believe the very heart and soul of conservatism is libertarianism."**

— Ronald Reagan



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# Vending Machine Bills Defeated in Colorado, Illinois

By Krista Kafer

A pair of proposals that would have regulated school vending machines in Colorado and Illinois were defeated April 11, meaning high-calorie snacks and drinks some call unhealthy will continue to be sold on school grounds in those states.

## 'Good Food'

In Colorado, Gov. Bill Owens (R) vetoed House Bill 1056, which would have mandated half of all vending machines in public schools dispense food designated as healthy, to combat the rising trend in childhood obesity. According to his veto message, Owens supports the intent but opposes "legislation that micromanages school districts and their policies." He noted 12 percent of school districts had voluntarily adopted similar vending machine policies since the passage last year of Senate Bill 198, the law that encourages but does not require districts to stock healthy snacks.

House Majority Leader Alice Madden (D-Boulder), the sponsor of H.B. 1056, told the *Denver Post* on April 13, "It's interesting the author of CSAPs [Colorado's standardized testing system] is worried about local control. ... [W]e're sort of defeating our own purposes when we test them and punish our schools when they don't perform, yet we are fail-

ing to provide them with good food."

State Rep. Keith King (R-Colorado Springs) voted against the bill because "districts would just add vending machines and require more electricity," he said. "Whenever the legislature gets involved in mandating a percentage like this, the districts just respond and still do their own thing. This bill was trying to control the marketplace. In most cases, 50 percent of vending machines would just not be used."

**"A pair of proposals that would have regulated school vending machines in Colorado and Illinois were defeated April 11 ..."**

## Illinois Ban

In Illinois, a legislative review panel rejected Democratic Gov. Rod Blagojevich's proposal to ban the sale of soda, chips, and candy at all public and private K-8 schools participating in the free and reduced-price lunch program.

The Joint Committee on Administrative Rules, a bipartisan, bicameral committee that reviews regulations pro-

mulgated by state agencies, nullified Blagojevich's ban, which was adopted by the Illinois State Board of Education (ISBE) in March at the governor's request. Blagojevich has been working since 2003 to ban chips, candy, and soda in the state's public schools.

The proposed rule would have built on current law, which prohibits the sale of such snacks during breakfast and lunch, to disallow sales throughout the day. The rule would have taken effect in the 2006-07 school year.

The committee, which voted 10-1, believed the rule did not go far enough. They want the state to address the nutritional value of foods sold at school cafeterias as well, state Rep. Larry McKeon (D-Chicago) of the committee told the *Chicago Sun-Times* for an April 11 story.

Originally, the proposal required standards for meals, but the requirement was dropped due to school opposition.

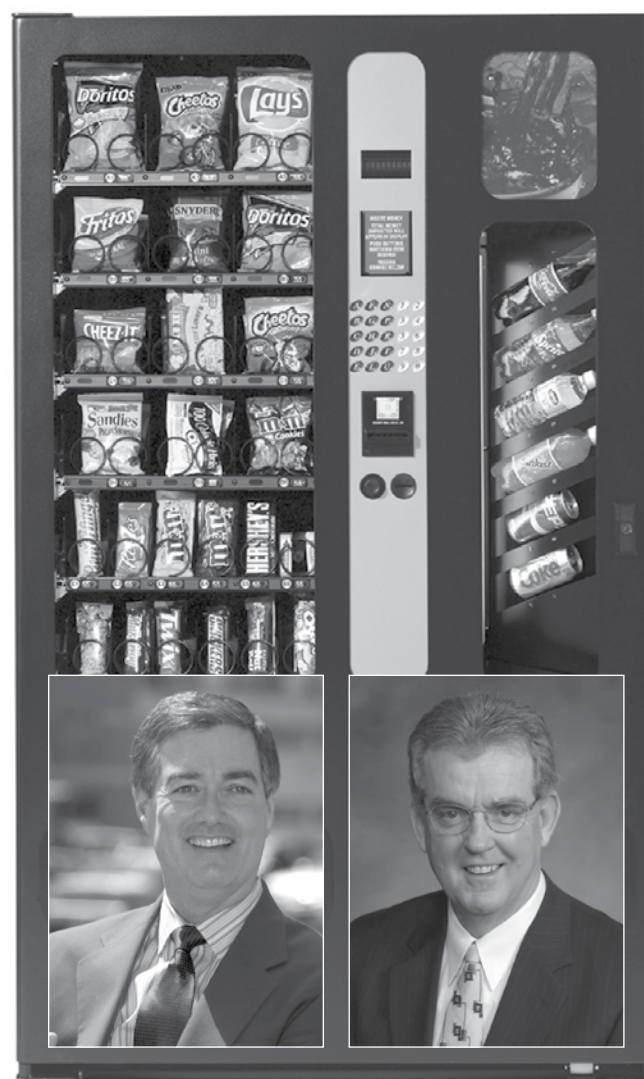
According to the *Sun-Times*, McKeon voted against the rule because "members felt that a much more expansive approach dealing with food service in general, both cafeteria food services as well as vending machines, was a better strategy for ISBE to embark upon."

**"A 2005 federal Government Accountability Office study found 99 percent of high schools, 97 percent of middle schools, and 83 percent of elementary schools have vending machines, school stores, or snack bars."**

## National Nutrition

Gary Ruskin, executive director of Commercial Alert, an organization that opposes commercialism in schools, said the Illinois and Colorado proposals were both "far too weak."

"It is not the job of schools to deliver captive audiences of children to the junk



(from left) Gov. Bill Owens vetoed a bill that would have required half of vending machines in public schools dispense "healthy" food. State Rep. Keith King supported the governor's position on the measure.

food industry," Ruskin said, but to teach students the value of good nutrition. "It is time for adults to take the problem of childhood obesity seriously."

Arizona, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Nebraska, New Jersey, New York, and West Virginia currently forbid the sale of soda, chips, and candy in elementary schools before lunch, according to the Illinois Department of Education. Hawaiian law bans such snacks from all schools. Florida public elementary schools are not allowed to sell such snacks at any time, and secondary schools may do so only after lunch.

A Florida bill to ban the sale on school grounds of foods containing corn syrup, and a Maryland bill to ban the sale of foods with "minimal nutritional value" in all school vending machines, died before the end of the legislative session, according to the American Bakers Association.

A 2005 federal Government Accountability Office study found 99 percent of high schools, 97 percent of middle schools, and 83 percent of elementary schools have vending machines, school stores, or snack bars.

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

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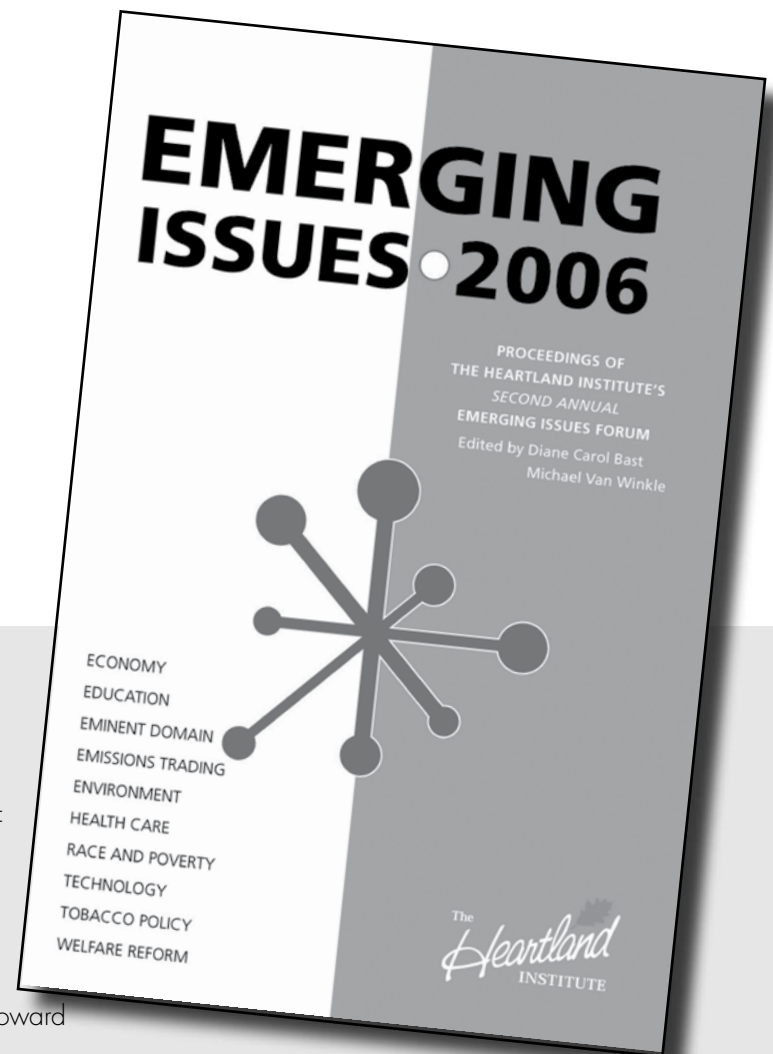
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# NAACP Report Says Florida Schools Are Criminalizing Schoolchildren

By Jenny Rothenberg

After an examination of school discipline practices in Florida released this spring, the National Association for the Advancement of Colored People (NAACP) recommended clarifying law enforcement's role in disciplinary procedures, saying minority children are being unnecessarily criminalized instead of merely disciplined at school.

The Florida State Conference of the NAACP, the Advancement Project, and the NAACP Legal Defense and Educational Fund released "Arresting Development: Addressing the School Discipline Crisis in Florida." The report is the result of town hall meetings held in six of Florida's largest school districts, in Jacksonville, Miami, Ft. Lauderdale, St. Petersburg, Tampa, and West Palm Beach.

The meetings were held as a forum for concerned parents, school administrators, teachers, law enforcement officers, and staff of the Department of Juvenile Justice to comment on school discipline practices in their areas after a five-year-old girl was arrested at a Pinellas County public school in 2005 for disruptive behavior in class.

The report found many school dis-

tricts have stopped using traditional disciplinary measures—such as counseling, detention, and extra homework—and are turning to the legal system to handle even minor offenses.

"High-stakes testing has caused teachers to teach to the test and spend less time addressing behavior," said coauthor Monique Dixon, senior attorney for the Advancement Project, an organization that works for education, democracy, and urban peace for the disenfranchised. "Teachers' automatic response is to involve another administrator, which is often a police officer."

## Blaming Tests

When questioned, Dixon refused to consider other potential causes for the rising number of police incidents on campus—such as administrators who are more afraid of kids being violent than they were before the Columbine murder-suicides took place in Colorado in 1999, or parents who don't discipline their children at home and become angry with teachers when they discipline them in the classroom. Though she said parents "have a role to play in discipline," Dixon said they are ignorant of the system.

According to the report, out-of-school

suspensions in Florida have outpaced the growth of student population by two to one. Black students contribute disproportionately to the trend, receiving 46 percent of the out-of-school suspensions and police referrals, even though they account for only 22.8 percent of the overall student population. The report cites what it characterizes as broad and unclear "zero-tolerance" policies, resource deficiencies, and perverse incentives created by accountability testing to remove low-scoring children from school.

The six meetings showed district discipline policies are often misunderstood by teachers, administrators, and police officers. Campus police officers enforce the law, which now includes offenses such as "school disruption" and "disorderly conduct." Witnesses testified that parents are often not present during police questioning, and that school resource officers do not know how to identify or interact with disabled students, potentially creating unsafe situations for special-needs children.

## Hurting Families

When students are channeled into the criminal justice system, minor

transgressions can have serious consequences for their families. For example, the Miami-Dade Housing Authority evicts families with school-age children who are out of school for more than 15 unexcused days in any 90-day period. According to the report, only 42 percent of Miami students suspended during ninth grade were still enrolled in eleventh grade, suggesting those students are likely to drop out.

The report concluded that because there is no evidence zero-tolerance measures alone effectively deter misbehavior, they should be replaced by prevention and intervention programs. Other recommendations involved clarifying the role and responsibilities of school police and getting parents more involved with schools.

Jenny Rothenberg ([jrothenberg@stepupforstudents.com](mailto:jrothenberg@stepupforstudents.com)) is a public relations associate at Step Up for Students, a Tampa-based initiative of the Florida Corporate Tax Credit Scholarship Program.

## INTERNET INFO

"Arresting Development: Addressing the School Discipline Crisis in Florida" is available online at [http://www.naapldf.org/content/pdf/pipeline/Arresting\\_Development\\_Full\\_Report.pdf](http://www.naapldf.org/content/pdf/pipeline/Arresting_Development_Full_Report.pdf).

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sity, says, "Students usually find it to be an eye-opener." The Woodbury Junior High School Social Studies Department in Minnesota calls it the "world's smartest political quiz."

The popular college textbook, *Political Science: An Introduction*, (Prentice-Hall) writes: "The World's Smallest

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# Arizona Charter Makes Top 100 List

By Vicki Murray

When *Newsweek* released its list of the top 100 high schools in the nation May 1, a charter school in Tucson made history.

BASIS Tucson—which started out as “Beginning Academic Success in School” eight years ago but is now called by its acronym—ranked third in the nation, the highest place achieved by any charter school since the list’s inception in 1998. BASIS Tucson is the first Arizona high school ever to make *Newsweek*’s top 100.

The list identifies the most rigorous public high schools in the country, based on *Washington Post* writer Jay Matthews’ “Challenge Index,” a ratio between the number of Advanced Placement (AP) and/or International Baccalaureate (IB) exams taken by all students and the number of graduating seniors. Even if high school students don’t pass exams in such advanced courses, taking them helps prepare students for more challenging college coursework.

“It’s pretty exciting,” said BASIS cofounder Michael Block. “I’m not sure we could have achieved this so quickly in any other state but Arizona, given our strong charter school movement.”

## Freedom to Innovate

Two factors are largely responsible for BASIS’s success: Freedom and rigor. Charter schools are public schools, following the same admissions and testing requirements as traditional public schools. However, they are independently operated, not run by school districts. Freed from district control and micromanagement of curricula, charter schools have more freedom to innovate, giving rise to a wide variety

of schools—from those serving at-risk students to those, like BASIS, offering college preparatory curricula.

“As a charter school, BASIS can freely innovate with key learning inputs like curriculum design, teacher pay, and student testing,” said Darcy Olsen, president of the Goldwater Institute, a free-market think tank in Phoenix. “Teachers and administrators, for instance, have significant bonuses tied to student achievement. But as a charter school, BASIS also bears responsibility for student learning. If students don’t learn, parents can take their business elsewhere.”

Passed in 1997, Arizona’s charter law doesn’t limit the number of schools that can open under the program, nor does it cap the number of charter students. With a simple, easy-to-navigate chartering process, parents, teachers, and administrators open roughly 70 percent of all charter schools statewide. Consequently, educators such as BASIS Tucson founders Olga and Michael Block are free to start schools where there’s the greatest need.

Olga, who taught college in her native Czech Republic, and Michael, a University of Arizona economics professor, founded BASIS Tucson in 1998 because their search for a quality school for their daughter left them frustrated by the lack of rigor in what were supposed to be Arizona’s best public schools. Although only the high school is included in the *Newsweek* ranking, BASIS Tucson is a grades 5-12 college preparatory charter school offering a twenty-first century liberal arts curriculum with a rigorous science and math program. Students take physics, chemistry, and biology beginning in sixth grade, and algebra beginning in seventh grade.

## Rigorous Requirements

To graduate, the high school students must take a minimum of six AP exams and seven AP courses, including calculus or advanced math; two of three science courses in biology, chemistry, and physics; two English courses; and two history courses. BASIS students are also required to take fine arts, participate in athletics, study a foreign language each year, and complete a senior project either by interning at a public- or private-sector institution or by enrolling in an external study program in America or abroad.

“BASIS charter schools are founded on the belief that typical students can excel when that’s expected of them,” Michael Block said. “We create a culture of high expectations for all of our students.”

BASIS Tucson is one of only two schools in *Newsweek*’s national ranking with 100 percent student participation in Advanced Placement courses. Unlike many traditional public school magnet programs, BASIS Tucson has no entrance exam, and it admits all students. Matthews reports about half its students don’t have college-educated parents. Nevertheless, all BASIS graduates were accepted to four-year colleges last year, and every one did well enough on AP exams to qualify for college course credit.

The swift success of BASIS Tucson should be welcome news for college admissions officers and future employers. Nationwide, roughly 25 percent of high school students don’t graduate. Worse, research from the Manhattan Institute published in 2003 found only one-third of those who do graduate are prepared for college-level work. Not surprisingly, employers struggle to find qualified employees, particularly in

fields requiring math and science skills. In 2000, the Mackinac Center for Public Policy estimated the annual cost of remedial education to businesses and postsecondary institutions nationwide to be \$17 billion.

## Challenge-Starved Students

BASIS’s success also has a lesson for education reformers, when combined with recent surveys showing students hunger for content-rich courses. The 2005-06 “State of Our Nation’s Youth” survey finds nearly nine of 10 high school students said they would work harder if their schools demanded more, set higher standards, and raised expectations. In addition, 90 percent said they want opportunities to take challenging classes, and 80 percent think requiring students to pass graduation exams in English and math would improve U.S. high schools.

Students who don’t finish high school agree. According to a groundbreaking national survey of high school dropouts released by the Bill and Melinda Gates Foundation in March, “The Silent Epidemic: Perspectives of High School Dropouts,” nine in 10 respondents were earning passing grades when they dropped out. A majority said they might not have dropped out if their high schools had better teachers (81 percent), smaller classes with individualized instruction (75 percent), or an academic climate (62 percent).

BASIS Tucson offers its students all that and more, yet receives less than \$6,200 per student. That’s \$2,500 less than the average Arizona public school receives, and around \$3,000 less than the national average.

Vicki Murray, Ph.D. ([thymos1@cox.net](mailto:thymos1@cox.net)) is an independent education policy researcher in Paradise Valley, Arizona and a member of the board of directors for BASIS Schools, Inc.

“BASIS Tucson ... ranked third in the nation, the highest place achieved by any charter school since the list’s inception in 1998.”

## INTERNET INFO

BASIS Charter high school, Tucson  
<http://www.BASISTucson.org>

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Public High School Graduation and College Readiness Rates in the United States [http://www.manhattan-institute.org/html/ewp\\_03.htm](http://www.manhattan-institute.org/html/ewp_03.htm)

“The Cost of Remedial Education,” September 2000 <http://www.mackinac.org/archives/2000/s2000-05.pdf>

2005-06 “State of Our Nation’s Youth” survey <http://www.horatioalger.org/pdfs/state05.pdf>





# Democrats Offer Merit Pay Plan

By Ben DeGrow

Nevada seized the reins of the state's education debate in mid-April with a bold proposal to change how teachers are paid.

On April 18, the Nevada Democratic Party introduced a plan to combine \$2,000 across-the-board teacher salary increases with pay incentives for individual teachers and schools that raise students' test scores.

"We will invest in our children and our teachers while we hold everyone in the education system accountable," said Nevada Democratic Party spokeswoman Kirsten Searer. "We will expect measurable results to prove that Nevadans' hard-earned dollars are being put to good use and our students are truly prepared for today's work world."

Assembly Majority Leader Barbara Buckley (D-Las Vegas) and Assembly Education Committee chairwoman Bonnie Parnell (D-Carson City) are among the legislative leaders who consulted with various educators and community leaders to craft the proposal.

## Twofold Proposal

Figures released by the American Federation of Teachers in October 2005 show Nevada's average teacher salary for 2003-04 ranked 22nd in the nation at \$43,211 a year. Nevada also is one of only 22 states in which average salaries did not lose ground to inflation the previous year.

Searer said proposed across-the-board pay increases are justified by many Nevada teachers' inability to afford housing, especially in the state's high-growth areas. Also, an April 2006 report from the Higher Education Project of the state's Public Interest Research Group, a liberal advocacy organization, showed one-third of Nevada teachers who graduated from a four-year public institution and one-half of their private college counterparts carry "student debt exceeding manageable levels."

The innovation in the Democrats' compensation package is the differentiation of rewards for teachers based on student achievement. If enacted, "performance plus pay" would be implemented in the 2007-08 school year.

"We believe that every teacher has the opportunity to change a child's life," Searer said. "Teachers who demonstrate excellence in their classroom deserve more."

## Skepticism Among Reformers

Steven Miller, director of policy research for the Nevada Policy Research Institute, has doubts about the Democrats' proposal. He said voter rejection of a well-financed, union-backed 2004 tax increase initiative, known as National Average Funding, has caused some political leaders and entrenched interest groups to assume the mantle of reform in order to kill real change.

"When a reform achieves momentum,

they embrace the issue by name and get more money for it," Miller said. "Then they quietly kill it."

Miller said the current plan gives little assurance of genuine policy improvement.

## Rationales for Spending Hikes

Searer said during the next few months state Democrat leaders will continue to meet with parents, teachers, and other interested groups—including the Nevada State Education Association (NSEA), a teachers' union—"to come up with benchmarks and work out details of future legislation." NSEA officials were not available for comment.

Nevada Democrats seem to have absorbed the voters' rejection of the union-backed 2004 tax increase initiative and have searched for alternatives that increase education spending without openly increasing taxes for it.

"Throwing money at the problem will not fix it," Searer said. "But we have no choice but to acknowledge that this problem creates a hardship every day in Nevada's classrooms."

About 80 percent of Nevada's eighth graders failed to achieve proficiency in math, reading, and science on the 2005 National Assessment of Educational Progress (NAEP). The state's math and reading NAEP test scores all rank in the bottom 10 in the nation. An August 2005 report by the nonprofit research firm WestEd said Nevada ranked 47th in high school graduation and college enrollment rates.

**"We believe that every teacher has the opportunity to change a child's life. Teachers who demonstrate excellence in their classroom deserve more."**

KIRSTEN SEARER

NEVADA DEMOCRATIC PARTY

## Disputes Over Numbers

Searer cited data released by the United States Census Bureau in April 2006 that shows Nevada ranks 46th in current education spending, at \$6,399 per pupil.

However, Miller noted the number excludes Nevada's "capital investment costs, which are among the highest in the nation." The Silver State compares much more closely to the national average in spending when money invested in building construction and improvements is counted.

The need for more school facilities in Nevada has been prompted by fast population growth. The number of teachers and students in the state both increased by about 60 percent from 1993-94 to 2003-04. During that time the student-teacher ratio rose slightly from 18.7 to 19.0, according to the National Center for Education

Statistics.

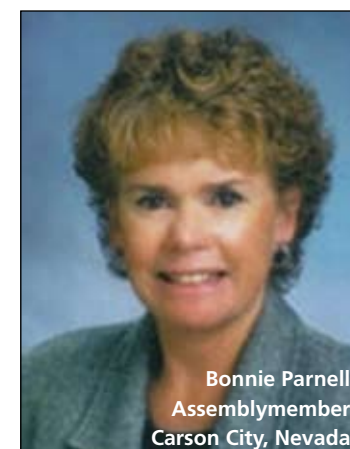
Even so, Searer said, Clark County School District (CCSD), the fifth-largest in the nation, anticipates a shortage of 1,000 teachers for the 2006-07 school year. She said the Democrats' plan will help to attract more new instructors.

## Huge Bureaucracy

State Sen. Bob Beers (R-Las Vegas) said the most important step Nevada could take to improve education would



Barbara Buckley  
Assembly Majority Leader  
Las Vegas, Nevada



Bonnie Parnell  
Assemblymember  
Carson City, Nevada

## Better Data Increase Calls for Merit Pay

The recent progress in Nevada's teacher pay debate, toward merit-based incentives, stems from technical data improvements that can track individual student achievement over time.

In 2003, state legislators approved the creation of a new "automated system of accountability" to measure and record student growth, using the Value-Added Assessment model.

Nevada officials soon will be able to quantify the academic improvement students make under the direction of specific teachers. However, a union-supported amendment to the 2003 legislation also dictated the "information maintained must not be used for the purpose of evaluating an individual teacher."

As it stands, the law requires the data be used only "for the purpose of improving the achievement of pupils and improving classroom instruction." The amendment allowed legislators to show public support for school accountability while placating the union by removing the authority to reward or punish teachers based on the data.

Some leaders want to challenge the provision in order to use the database to its full capacity.

"This objective measure of merit will be used to drive merit pay, and it appears so inevitable that even groups that have opposed merit pay in the past are coming around," said state Sen. Bob Beers (R-Las Vegas), who is running for governor.

— Ben DeGrow

be to split the "mammoth" CCSD into several dozen smaller districts.

"With 300,000 students, 240 administrators who are not assigned to a school site, and more administrative buildings than most districts have high schools," Beers said, "it stifles teacher enthusiasm, discourages parent involvement, and performs lower than most school districts in the nation."

Ben DeGrow ([ben@i2i.org](mailto:ben@i2i.org)) is a policy analyst for the Independence Institute, a free-market think tank in Golden, Colorado.

## INTERNET INFO

The American Federation of Teachers' *Survey and Analysis of Teacher Trends 2004* is available online at <http://www.aft.org/salary/2004/download/2004AFTSalarySurvey.pdf>.

The April 2006 publication of the State Public Interest Research Groups' Higher Education Project, *Paying Back, Not Giving Back: Student Debt's Negative Impact on Public Service Career Opportunities* <http://pirg.org/highered/payingback.pdf>.

State profiles of test scores from the National Assessment of Educational Progress <http://www.nces.ed.gov/nationsreportcard/states>.

WestEd's August 2005 report, *Student Achievement and Graduation Rates in Nevada: Urgent Need for Faster Improvement*, [http://www.wested.org/online\\_pubs/NevadaReport.pdf](http://www.wested.org/online_pubs/NevadaReport.pdf).

The United States Census Bureau's Public Elementary-Secondary Education Finance Data, <http://www.census.gov/govs/www/school.html>.

Data on student-teacher ratios are available through the National Center for Education Statistics' Common Core of Data, <http://www.nces.ed.gov/ccd/>.



# Union Can Use Dues for Politics: Court

By Ben DeGrow

A federal court decision handed down in early May threatens only a limited scope of paycheck protection legislation, a labor law analyst said. The decision upset a Utah state law restricting union member payroll deductions of money to be used for political purposes. The Utah attorney general filed an appeal on June 1.

Michael Reitz, director of the Evergreen Freedom Foundation's Labor Policy Center, said while U.S. District Court Judge Tena Campbell's May 3 ruling has disappointed reformers, its effects have been overstated.

In the ruling, the Utah Education Association (UEA) won its claim against the state to overturn the portion of the five-year-old Voluntary Contributions Act (VCA) that prohibited local governments from making political payroll deductions.

**"The Voluntary Contributions Act leveled the playing field by requiring unions to collect political contributions one person at a time just like any other entity."**

**MICHAEL REITZ**  
DIRECTOR, LABOR POLICY CENTER  
EVERGREEN FREEDOM FOUNDATION

## Separating Monies

The decision did not affect the VCA requirements that unions keep their political funds in a separate political committee and get a member's permission before collecting dues for political activities.

"States could still pass laws that require individual union members to make voluntary authorizations before having political money taken out," Reitz said.

In 2001, then-state Rep. Chad Bennion (R-Murray) sponsored the VCA as an attempt to keep state and local government agencies out of the business of setting employees' money aside to be used by unions for partisan political action.

## Refusing to Contribute

Reitz said when the VCA was enacted "over 90 percent of Utah Education Association members refused to contribute a single dollar for politics." The *Salt Lake Tribune* reported on May 4 that the fund balance of UEA's political action committee (PAC) declined from \$640,000 in 2001 to less than \$300,000 in 2005.

UEA and its labor allies challenged the law in state courts. To settle the complaint, legislative amendments clarified that unions could communicate to members about politics and could use general dues funds to administer the PACs and to support nonpartisan "ballot

issues."

In 2004, union officials challenged the modified legislation in federal court. They said the action was taken in defense against an active "anti-public education" legislative agenda.

"Many legislators were angry UEA had effectively blocked their efforts to 'privatize' public education through a system of vouchers and tax credits," union officials wrote in an undated public memorandum. "They contemplated silencing UEA by cutting off members' voluntary contributions to the UEA PAC by taking away payroll deductions."

## Competing Arguments

Assistant Utah Attorney General Thomas Roberts said the state's defense of the VCA centered on the argument that the law remedied the problem of union attempts "to utilize the property of public subdivisions for private purposes."

Campbell dismissed this argument, writing in her ruling, "the State offers no evidence to support its position that public employers have given preferential treatment to labor organizations."

Campbell rejected the attorney general's argument that school districts operate under state legislative control and therefore are not subject to "strict scrutiny" in free speech cases. She also ruled the legislature had no reason to outlaw the practice because "the State incurs no expense as a result of the payroll deductions."

## Picking and Choosing Recipients

UEA general counsel Michael McCoy lauded the decision. He said the VCA's prohibition of political payroll deductions unfairly targeted the teachers union and that other states should avoid the same course.

"The decision means legislatures cannot pick and choose who will receive state-sponsored benefits and who will not," McCoy said. "The state cannot discriminate."

Reitz disagreed.

"The Voluntary Contributions Act leveled the playing field by requiring unions to collect political contributions one person at a time just like any other entity," Reitz said. "Apparently, the Utah Education Association believes the state should do its dirty work collecting political funds."

## Choosing to Appeal

On June 1, Utah Attorney General Mark Shurtleff (R) appealed the district



Mark Shurtleff  
Attorney General - Utah

court's ruling to the United States 10th Circuit Court of Appeals. Roberts said the attorney general's office weighed the effects of setting precedent and its chances of success before meeting the June 3 deadline.

Defending the VCA has cost the state of Utah more than \$1 million. UEA officials described the funds spent in the state-level court challenge as "money taken from books, supplies, and other schools expenses."

Leaders of the teachers union expressed confidence they would have continued legal success.

"I suspect we will prevail at the 10th Circuit Court of Appeals," McCoy said.

## Heading to Supreme Court?

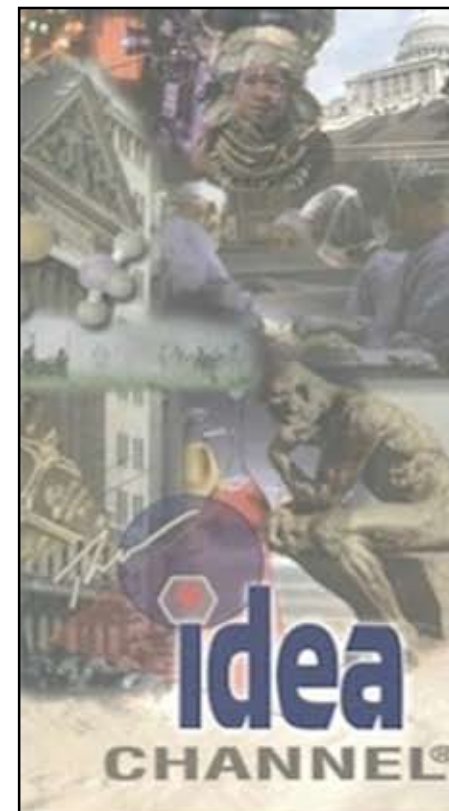
Shurtleff has followed a parallel case in a neighboring state. In November 2005, a federal judge struck down the portion of Idaho's 2003 Voluntary Contributions Act that prohibited local governments from collecting political payroll deductions.

The successful complaint was brought by several Idaho labor unions and has been appealed to the 9th U.S. Circuit Court of Appeals.

Reitz said different appellate rulings on the parallel cases could trigger the intervention of the United States Supreme Court to settle the paycheck protection question.

In spite of the twin defeats at the circuit court level, Reitz said he believes the states have strong cases to win on appeal. Numerous federal precedents say unions have no rights to the public payroll system, he said.

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# Missouri

Continued from page 1

State Sen. Lu Ann Ridgeway (R-Smithville) introduced S.B. 962, and in the lower chamber, House Speaker Pro Tem Carl Bearden (R-Saint Charles) introduced its companion bill, H.B. 1783. Both would have given up to \$40 million in credits against state taxes due for individuals and corporations making contributions to tuition scholarship organizations. The tax credit would be for 100 percent of the amount donated, though taxpayers could not take advantage of the credit if they also claimed the contribution as a deduction on their federal tax filing.

Both versions required that the scholarships be given only to students with poor academic performance—a 2.5 grade point average or below—in

**"There is a total lack of compassion for students in ... underperforming and failing schools, and this bill could give some of those students an alternative."**

**LU ANN RIDGEWAY  
STATE SENATOR  
SMITHVILLE, MISSOURI**

the St. Louis, Kansas City, or Wellston school districts. The St. Louis and Kansas City school districts are by far the largest in the state, serving a combined total of 850,000 students, or about 8 percent of the students statewide. The Wellston district—a small district with 600 students, just outside St. Louis—is currently supervised by a special administrative board appointed by the state Board of Education because of its poor academic performance.

## Creating Opportunities

In addition to attending those school districts, the student's family would have to have an income near the federal poverty level to be eligible for the scholarship. A student could use the scholarship to attend a private or public school.

The House version would have created the Betty L. Thompson Scholarship Program. Thompson, a former Democratic state representative, had advocated increased educational opportunities for urban students during her tenure in the state House. The House plan set the level for eligibility at 135 percent of the amount for receiving reduced-price lunches under the National School Lunch Act.

The House bill had 22 co-sponsors in addition to Bearden, including Rep. Theodore Hoskins (D-Berkeley), chairman of the Missouri House's Black Caucus. This set Hoskins in opposition to the state's chapter of the National

Association for the Advancement of Colored People (NAACP), as well as the Kansas City, St. Louis, and Jefferson City chapters—all of which were part of the People for Public Schools coalition, which opposed H.B. 1783. The NAACP did not return calls seeking comment.

After a March 13 hearing, the House Special Committee on Urban Issues voted 7-3 to send the bill to the House floor for a full vote.

The Senate version, known as the Missouri Student Success Scholarship Tax Credit Program, set the income eligibility at 185 percent of the income level for the free and reduced-price lunch program. The Senate Education Committee held a hearing on the bill on February 21, but no votes were taken.

## Helping Students

"We have to do something for students in those districts," said Ridgeway, explaining why she introduced the measure. "There is a total lack of compassion for students in those underperforming and failing schools, and this bill could give some of those students an alternative."

Ridgeway said critics of the proposal were "school-minded and not child-minded." She said she wasn't surprised the bill didn't pass this session.

"It was not possible to pass at this time," Ridgeway said, but added, "absolutely, I will re-introduce" the bill in future sessions of the legislature.

To enable the proposal to pass in the future, Ridgeway said, "We have grassroots work that must be done, especially in Kansas City."

## Taking from Public Schools?

"We think this scheme will divert public money to private schools," said Brent Ghan, a spokesman for the Missouri School Board Association (MSBA). He contends using tax credits is "an indirect use of state money."

Ghan said the MSBA opposed the bill because it would be a violation of the state's constitution. The MSBA's Web site cites two sections of Article I of the Missouri Constitution that

prohibit public funding of religion. The MSBA also cites Article IX, Section 8, as prohibiting the public funding of private schools.

Ghan said it is bad public policy to support private schools, which he said are not fully accountable to the public. He also said the state cannot afford to divert \$40 million from its treasury because of its current budget crunch.

## Giving Choices

But Victor Wendl, president of Citizens for Educational Freedom—an advocacy group based in Clayton, Missouri—said tax credits are more akin to giving someone a choice between two restaurants: The food might be more pleasing at one, but the total spent on the meal is about the same.

"A tax credit scholarship relieves the burden of educating a student from a public school," Wendl said. "And it helps a parent to freely choose a school."

Three states—Arizona, Florida, and Pennsylvania—currently give tax credits for donations to tuition scholarship organizations. Arizona's Supreme Court has ruled its tax credit program is not a violation of the state's constitutional provision prohibiting public money from being used for private education.

*Michael Coulter (mlcoulter@gcc.edu) teaches political science at Grove City College in Pennsylvania.*



**House Speaker Pro Tem Carl Bearden and state Sen. Lu Ann Ridgeway (inset) introduced scholarship tax credit bills in Missouri.**

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# Boys

Continued from page 1

tion rates are what they are, it just says that there is a problem—it's very difficult to pinpoint the reasons," Winters said.

## Results Point to Gaps

Key findings from the report, which is based on figures from 2003, the most recent data available, include a national public high school graduation rate of 70 percent. New Jersey and South Carolina bookend the nation with 88 percent and 54 percent graduation rates, respectively. Insufficient data kept the District of Columbia and Hawaii from being included.

"The results are a useful reminder just how low the high school graduation rate is—around 70 percent on average and about 50 percent for minorities," Winters noted. "The gender gap is also interesting, and we confirmed that it is particularly large for African-American and Hispanic students. It's certainly worth it to wonder why."

While the national graduation rate for white students is 78 percent, Greene and Winters found graduation rates for African-American students averaged 55 percent, and for Hispanics, 53 percent. Females are graduating at higher rates than their male counterparts. African-American students display the largest gender gap, at 11 percentage points.

## No Goal in Sight

Winters acknowledged that unlike many education standards, such as proficiency on standardized tests, the United States has not set a specific goal for high school graduation rates nationwide.

"At this time, it is not so much that we have a national goal that we are working toward, or falling short of, but I do think it's fair to say that an acceptable graduation rate for minorities has got to be higher than 50 percent," Winters said.

## Urban Districts Stand Out

Greene and Winters also segmented results by district, which they say reveals not only where problems are concentrated but also where reforms might be focused.

"Segmenting graduation rates by district showed that a large portion of the problem is concentrated in large, urban districts, and this helps give policymakers an idea of where to target reforms," Winters said.

Greg Forster, senior fellow and director of research at the Milton & Rose D. Friedman Foundation in Indianapolis—a former colleague of Greene and Winters—believes the abysmal graduation rates in large districts are related to the lack of competition among schools.

"Big school districts don't work because they create a local monopoly on schooling, and monopolies always provide lousy service," Forster said. "Breaking up big districts has been shown to improve graduation rates,



for the same reason that school choice improves outcomes at public schools: Competition works, and monopolies don't."

**"The results are a useful reminder just how low the high school graduation rate is—around 70 percent on average and about 50 percent for minorities."**

MARCUS A. WINTERS  
COAUTHOR  
"LEAVING BOYS BEHIND"

## Boys Dropping Out Faster

According to Greene and Winters' findings, "none of the nation's 10 largest school systems, which over 8 percent of U.S. public school children attend, graduates more than 60 percent of its students." The minority and gender gaps hold up in this segment, as well.

"The extreme dropout rate of high school boys is one of our most urgent problems," Forster said. "The key thing to understand about high school boys is that they're human beings. Every one is different; there is no educational silver bullet that will work for all of them. That's why voucher schools in Milwaukee have graduation rates almost 30 points higher than the public schools: Voucher students can each find the right individual school with the right approach for that student."

Forster cited Milwaukee as an example of a city that has implemented a school choice program that broke the public school monopoly. He noted that in 2003, private schools in the city's voucher program graduated 64 percent of their students, compared with a 36 percent graduation rate in the Milwaukee Public Schools system.

## Common Sense Needed

Winters believes the research team's method, which utilizes enrollment and diploma counts, is solid if simple.

"We used official enrollment and

diploma counts given to the United States Department of Education, and we made a slight adjustment to accommodate population changes—in essence, we divide the number of diplomas on record for 2003 by the number of students we estimate could have graduated that year," Winters explained.

Winters said attendance and diploma counts are executed by schools consistently and competently, but tracking what they do not know, such as dropout rates, is much more difficult.

"States try to count dropouts, but it's frankly a very difficult figure to find," Winters said. "Even the United States Census [Bureau], whose sole job is to count people, struggles to do so. For a school, this is beyond their capabilities. It's easier to say that a student transferred or moved away, [which makes] figures cloudy. On the other hand,

schools take attendance every day, and therefore this is a pretty reliable figure to work from."

Kate McGreevy ([mcgreevy@gmail.com](mailto:mcgreevy@gmail.com)) is a freelance education writer living in New Mexico. She formerly worked with the Cesar Chavez Public Charter Schools for Public Policy in Washington, DC.

## INTERNET INFO

"Leaving Boys Behind: Public High School Graduation Rates" can be found online at [http://www.manhattan-institute.org/html/cr\\_48.htm](http://www.manhattan-institute.org/html/cr_48.htm).

## Statistics Released on Second Year of D.C. Vouchers

The official evaluation team for the D.C. voucher program released its descriptive report for the program's second year in May. According to "Evaluation of the DC Opportunity Scholarship Program: Second Year Report on Participation," by Georgetown University's Patrick Wolf, Westat's Babette Gutmann, and Chesapeake Research Associates' Michael Puma:

- 1,716 students used the voucher in 2005; up from 1,027 using the vouchers in 2004.
- Of those using vouchers in 2005, 797 were new participants, and 919 were returning participants.
- 10 new private schools participat-

ed in the program in 2005, bringing the total to 68.

- 3,126 students applied for vouchers in 2005, not including returning participants, up from 2,692 in 2004.
- 2,199 of the new applicants in 2005 were deemed eligible for the program, up from 1,848 in 2004.
- 1,088 of the new applicants in 2005 were awarded vouchers, compared to 1,366 awarded vouchers in 2004.
- 797 first-time voucher recipients in 2005 used them to enroll in a private school that fall, compared to 1,027 voucher recipients in 2004. The authors characterize this usage rate as being "in the mid to high range of usage rates reported by previous school voucher studies."
- Among students who used vouchers in 2004, attrition rates have been "modest"—about 3 percent left the program during the first school year, and another 5 percent dropped out of the program between the first and second school years. This leaves a total of 919 students who used the voucher in 2004 who used it again in 2005.



# Can Political Leaders Find the Courage to Liberate Education?

Editor's note: This is the final installment 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

Educational innovations leading to performance improvements were the goal of introducing school choice in the first place. It is possible that if Moreno Valley High School (MVHS)—a charter school in Angel Fire, New Mexico—had replicated its program across the state, SAT scores and AP enrollment statewide might have increased as additional Socratic Practice charter schools opened, staffed by faculty trained at the proposed MVHS Socratic Practice teacher training center.

Over the course of a decade or two, New Mexico might plausibly have moved from 50th in the nation educationally into the top 10. At MVHS, Socratic Practice programs have resulted in 120 point average annual gains on the SAT, compared to 40 point average annual gains for the United States as a whole, according to The College Board.

Legions of students currently incapable of college-level work, with SAT

verbal scores below 300, could become legions of students with SAT verbal scores above 500, higher than the average entering college freshman's. New Mexico could have the highest percentage of students taking AP courses of any state in the nation.

Why accept failure? If indeed MVHS has such a good program, why can't the state replicate it statewide and reap the benefits of its innovative program?

## Blocking the Way

Note the obstacles to such an approach:

- Exactly the same program is perceived to be excellent by some, educational malpractice by others.
- Although some parents, students, and educators love the program, the state regards it as largely a failing program due to noncompliance with regulations.
- The program, despite its solid, measurable achievements, is similar to progressive pedagogies with a long history of failure and little documented success

outside of MVHS and a limited track record even there. It is not a "research-based" reform.

- In order for the program to be successful, it must be staffed and supervised by expert, highly intelligent Socratic educators, most of whom are not state-licensed and who must be trained in an institution that does not yet exist and if it did, would be completely outside the official university credentialing system and therefore an affront and a threat to that system.

**"Although some parents, students, and educators love the program, the state regards it as largely a failing program due to noncompliance with regulations."**

## Staking Careers on Change

In short, though some parents and educators are willing to stake their children's education and livelihoods, respectively, on this program, it is unlikely that bureaucrats and politicians, who must answer to majorities, media, and opponents, would stake their careers on it. It is just too controversial and too risky.

In addition, insofar as MVHS is staffed by non-credentialed personnel and uses an approach that does not teach to state standards, the public education establishment has both the incentive and the ammunition to undermine support for such a program.

## Seeing Like Bureaucrats

Learning to "see like a state" means learning to see like the politicians and bureaucrats who constitute the state. To achieve political success, it is crucial to appear to be a leader, on the one hand, and to avoid appearing to be responsible for highly publicized disasters, on the other. Both President George W. Bush, with No Child Left Behind, and New Mexico Gov. Bill Richardson (D), with his reform program that required all charter school personnel to be licensed, were able to portray themselves as strong, assertive leaders in educational policy.

In the hunter/gatherer communities in which humans evolved, the decisive leader was the good leader. A politician who supports diverse experiments, especially in an area of such importance as education, is apt to appear weak.

Worse yet, if some of those educational experiments fail due to "inadequate" regulatory oversight, the media and the politician's opponents will blame the politician for allowing the failure to happen. Therefore it is much safer to support tightly regulated programs than to support diverse experimentation.

We are all constantly impressed by the world of technological innovation. Read *Wired*, *Technology Review*, *Popular Science*, or *Popular Mechanics*, or visit Sharper Image or Radio Shack, to be dazzled by the rate of technological change. But the road to the dynamism of the world of technology is paved with untold numbers of failed experiments, failed technicians, failed entrepreneurs, and failed companies.

## Experimenting with Children

Critics of school choice sometimes indignantly claim that the public task of educating children is too important to be allowed to a chaotic marketplace in which schools operated by uncredentialed amateurs might fail. But without experimentation, great innovations will not come into being.

Because of the policies supported through the responsible leadership of Bush, Richardson, and the New Mexico Department of Education, MVHS is now on track to be a successful school in the eyes of the State of New Mexico.

The same parties are also responsible for ensuring that New Mexico will likely remain among the poorest and educationally lowest-achieving states in the nation during the coming decades.

## Demanding Freedom

Freedom is a prerequisite for innovation in every field of human endeavor. Silicon Valley, "the greatest legal creation of wealth in human history," was created out of math, sand, and freedom. The Soviet Union had the best mathematicians on Earth and plenty of sand, but in the absence of freedom they were unable to produce innovative information technology. By the mid-1980s, any decent university in the United States had more computing power than the entire Soviet Union.

If we want to create the greatest development of human intellectual power in human history, we will have to allow for much greater educational freedom.

As long as we are led by "responsible political leaders," regardless of political party, who protect the public from educational malpractice, we will never have amazingly good schools. Until the public supports politicians in liberating education from state control, regardless of whether that means we'll have public schools, charter schools, vouchers, or tax credits, risk-averse politicians will be forced by the public to support "responsible" policies that prevent innovation and thereby ensure mediocrity.

Michael Strong ([michael@flowidealism.org](mailto:michael@flowidealism.org)) is CEO and chief visionary officer of FLOW, Inc. (<http://www.flowrealism.org>), a group working to achieve world peace, prosperity, happiness, and sustainability in 50 years.

## INTERNET INFO

The College Board's "Retaking the Test" report is available online at <http://www.collegeboard.com/student/testing/sat/scores/understanding/retaking.html>.



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# Overhauling a Broken Educational System

*Tough Love for Schools: Essays on Competition, Accountability, and Excellence*

Written by Frederick M. Hess

Washington, DC: AEI Press, 2006

280 pages, hardcover, ISBN 0844742112, \$15.75

Available through Amazon.com

## Review by Mike Scott

From the first paragraph of his book's introduction, Frederick Hess sets forth a contrarian view of today's American public schools that suggests significant reform is needed.

Hess, director of educational policy studies at the American Enterprise Institute and executive editor of the quarterly journal *Education Next*, says the system needs "tough love" in which students, parents, and all taxpayers demand more from our public schools. He points out the United States already spends 27 percent more money per student on average than Japan, 66 percent more than Germany, and 122 percent more than South Korea.

Hess has created a collection of essays that might seem radical given the current, hierarchical structure of the nation's public school systems. He argues for school reform that enables both private and public entrepreneurs to create new schools, giving them the freedom to reward excellence, introduce technology, and devise new educational strategies practical for today's global

business climate.

## Recreating the System

Such terms as "accountability," "competition," "excellence," and "public good" are used commonly throughout the book. Hess makes no apologies for his wide-scale dissatisfaction with many of today's educational institutions, from teacher unions and school administrations to the elected officials who run school boards. But he refrains from casting a despairing eye over individuals, instead emphasizing that the system needs to be fixed immediately.

Throughout the book, Hess challenges the basic structure of the public school system. Several times, he blames politics for a disproportionate number of the ills affecting today's public schools.

Hess is proposing a significant system overhaul, calling the current system "lethargic." He asks that the term "public" be redefined. "Our federalized system of government allows for localized decisions to be made on private school vouchers, charter schools and home

schooling but recently more decisions have been [nationally centralized]," he writes.

## Drafting Subversive Ideas

Hess outlines a "case for being mean" so that students are graded accurately. This leads into his demand for accountability. Students and teachers, he argues, should be adequately rewarded only when they have earned it—not out of a belief in some innate right or sense of entitlement.

With accountability comes the need for competition. Hess compares today's public schools with some of the most successful businesses in the United States, and laments that by those standards, public schools have failed miserably. He is clearly a proponent of choice, and he even introduces in some detail the notion of for-profit schools as a way to scare the current system into increasing productivity.

Hess goes into significant detail about the need for a higher level of expectations in our schools—demanding excellence from teachers, administrators, students, and even parents. He believes the impact of the current approach to school certification is insignificant and proposes instead that principals be required to manage schools as a bottom-line business that relies on empirical data (not standardized testing) to guide performance and to manage school

staff with a demanding and goal-oriented approach.

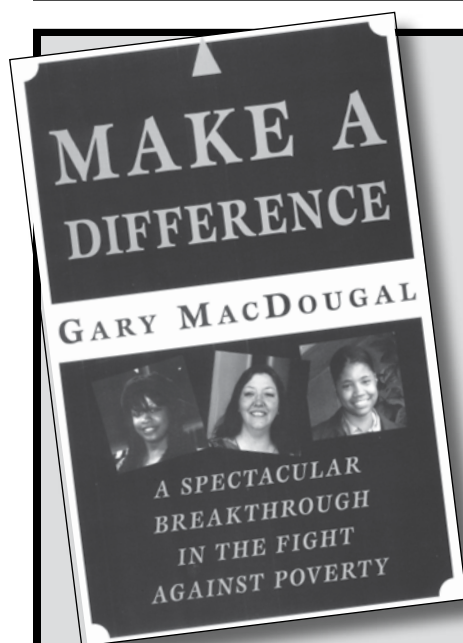
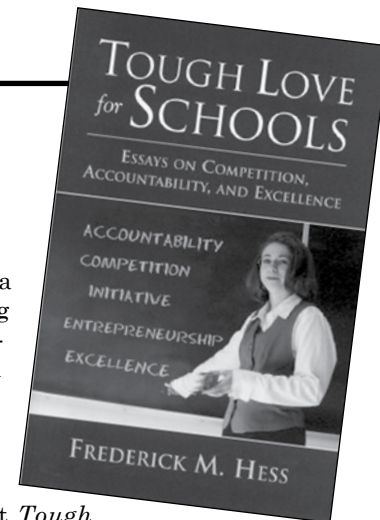
## Making the Point

Throughout *Tough*

*Love for Schools*, Hess never hides his strong opinions, which some would term radical. He provides detailed essays on accountability, competition, initiative, entrepreneurship, and excellence. He proposes more attention be paid to education investment rather than simply spending money blindly on new technologies. And throughout the book, Hess proposes steps that would, in his estimation, dramatically increase the measurable performance of the American public school system.

Little is held back. Readers probably won't agree with everything Hess proposes, but this is an engaging, thought-provoking, and well-researched book that gives a view of public schools some Americans have suspected is true but few are willing to discuss. Perhaps more than any other, that is the point Hess wants to get across.

Mike Scott ([mas1774@yahoo.com](mailto:mas1774@yahoo.com)) is a freelance writer in White Lake, Michigan.



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*Make a Difference* is both a compelling memoir and convincing proof that we now know important answers to help solve America's poverty problem—without spending any more of the taxpayers' money.

Author Gary MacDougal spent years working in Illinois inner cities and rural communities—talking with "ladies in the backyard," befriending community leaders, and working with local organizations in his quest to find solutions that have long eluded academic researchers and politicians. As chairman of the Governor's Task Force on Human Services Reform, MacDougal was the catalyst for the complete overhaul of the state's welfare system, which included the largest reorganization of state government since 1900.

Eight years after MacDougal's suggestions were implemented, Illinois now stands well ahead of California, New York, and other big-city states, with a spectacular 86 percent reduction in the welfare rolls since reform implementation in 1996, second only to Wyoming among all fifty states. The welfare rolls in Chicago's Cook County have been reduced an amazing 85 percent, with studies showing that most who left the rolls are working, and at pay above minimum wage.

MacDougal's extraordinary journey shows the way for the rest of the nation and proves there are ways we can all help provide a ladder of opportunity for those in poverty. We each can *Make a Difference* in the ongoing effort to end America's poverty problem.



## Resource Directory

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fax 703/351-0090  
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**Alliance for School Choice**  
5080 North 40th Street #375  
Phoenix, AZ 85018  
phone 602/468-0900  
fax 602/486-0920  
<http://www.allianceforschoolchoice.org>

**American Education Reform Council**  
2025 North Summit Avenue #10  
Milwaukee, WI 53202  
phone 414/319-9160  
fax 414/765-0220

**American Enterprise Institute**  
1150 17th Street NW  
Washington, DC 20036  
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fax 202/466-3801  
<http://www.aei.org>

**American Legislative Exchange Council**  
910 17th Street NW - 5th Floor  
Washington, DC 20006  
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fax 22/466-3801  
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**Cato Institute**  
1000 Massachusetts Avenue NW  
Washington, DC 20001  
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fax 202/842-3490  
<http://www.cato.org>

**CEO America**  
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Bentonville, AR 72712-0330  
phone 501/273-6957  
fax 501/273-9362  
<http://www.ceoamerica.org>

**Children's Scholarship Fund**  
7 West 57th Street  
New York, NY 10019  
phone 212/752-8555  
fax 212/750-4252  
<http://www.scholarshipfund.org>

**Christian Coalition**  
1801-L Sara Drive  
Chesapeake, VA 23320  
phone 757/424-2630  
fax 757/424-9068  
<http://www.cc.org>

**Citizens for a Sound Economy**  
1250 H Street NW #700  
Washington, DC 20005  
phone 202/783-3870  
fax 202/783-4687  
<http://www.cse.org>

**Citizens for Educational Freedom**  
9333 Clayton Road  
St. Louis, MO 63124  
phone 314/997-6361  
fax 314/997-6321  
<http://www.educational-freedom.org>

**The Claremont Institute**  
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phone 909/621-6825  
fax 909/626-8724  
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**The Edison Project**  
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**Education Leaders Council**  
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**Education Policy Institute**  
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<http://www.educationpolicy.org>

**Family Research Council**  
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fax 202/393-2134  
<http://www.frc.org>

**FLOW, Inc.**  
1510 Falcon Ledge Drive  
Austin, TX 78746  
<http://flowproject.org/Home/contact-us.html>

**FreedomWorks**  
1775 Pennsylvania Avenue NW - 11th Floor  
Washington, DC 20006-5805  
phone: 202/783-3870  
fax: 202/942-7649  
<http://www.freedomworks.org/>

**Greater Educational Opportunities Foundation**  
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## 2006 Editorial Calendar

January	Technology in Schools
February	School Safety
March	National History Month
April	Catholic Education
June	National Science Month
June	Higher Education
July	Literacy
August	skip month
September	Back to School
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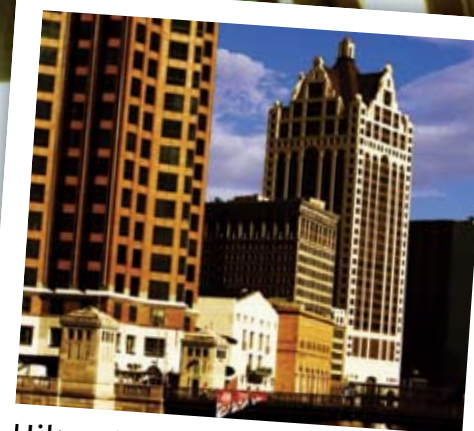
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