



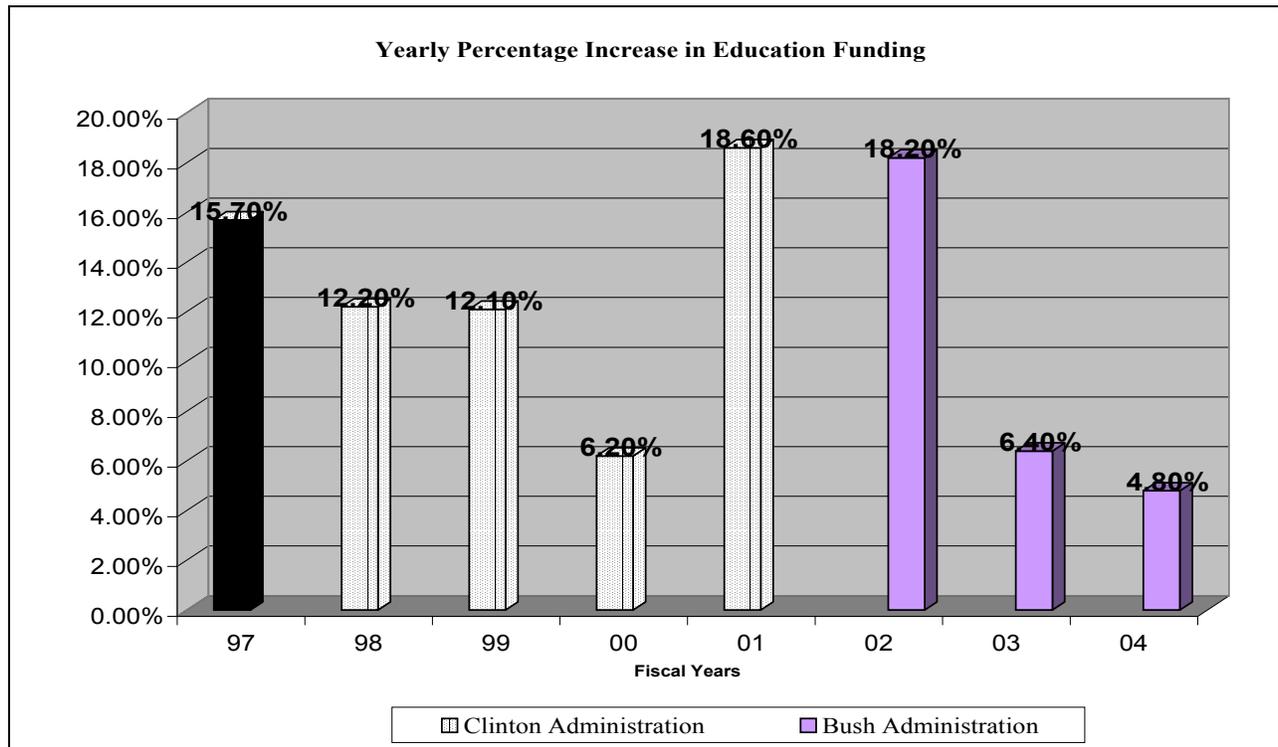
Straight A's

Public Education Policy And Progress



HOUSE PASSES EDUCATION SPENDING BILL, SENATE ACTION NOT EXPECTED UNTIL JANUARY: 4.8 Percent Increase for Education is Smallest in Eight Years

On Dec. 8, the House of Representatives approved a seven-bill omnibus appropriations package that would increase fiscal 2004 education spending by \$2.6 billion (4.8 percent) over the fiscal 2003 level. The increase, which would bring funding for the U.S. Department of Education to \$55.67 billion, is the smallest increase for education in eight years. In the Senate, **Minority Leader Tom Daschle (D-SD)** asked that the Senate consider a resolution reinstating several provisions and striking the 0.59 percent across-the-board cut to education, Head Start, and other programs. However, **Senate Majority Leader Bill Frist (R-TN)** objected. As a result, a final vote on the omnibus bill was put off until January 21, but education-spending totals in the conference agreement are not likely to change.



Editor's note: This issue of Straight A's contains a special insert that outlines the spending totals for education programs that help middle and high school students as agreed to in the House-Senate conference on the omnibus spending bill for fiscal 2004. While not final, the numbers are not likely to change before the bill is signed by the President.



D.C. VOUCHER PROGRAM APPEARS LIKELY: Congressional Republican Leaders Roll Measure into Omnibus Bill

A private-school voucher program for District of Columbia students was all but guaranteed when members of the Republican leadership decided to roll the \$13 million program into the fiscal 2004 omnibus bill, a measure that is almost certain to receive final approval from Congress. The voucher program—a top priority for President Bush and congressional Republicans—was supported by **Washington, D.C. Mayor Anthony Williams (D)**, who worked closely with the Republican leadership in shepherding the bill through Congress.

Under the five-year pilot program, at least 1,700 low-income students would receive up to \$7,500 annually toward tuition at private schools. These “opportunity scholarships” would be limited to children from families who earn up to 185 percent of the poverty level—approximately \$35,000 for a family of four. Priority would be given to students who currently attend low-performing schools.

Lack of Vacancies in Area High Schools Mean Few Older Students Will Be Offered Vouchers

According to the *Washington Post*, lack of available space in district private high schools could pose a problem in implementing the new initiative. The voucher program gives priority to students who attend schools deemed “in need of improvement” under *No Child Left Behind (NCLB)*. In the District, 8,700 students attend the city’s 15 low-performing schools, seven of which are high schools. Of the 8,700 students, 5,200 are in high school. A survey by Fight for Children, a Washington education advocacy group, found that only about 1,000 of the vacancies at the 30 archdiocese schools and 31 non-Catholic private schools in the district are in the upper grades. This means that only one in five eligible high schools students will have the voucher option. A random selection will determine which students will receive scholarships.

Quotables

People in the sports world are fond of saying that the best offense is a good defense. I am convinced, however, that the best way for us to win this game and beat our critics is to get off of defense and put some points on the board. Raise student performance. Increase achievement. Narrow gaps. And beat the naysayers.

We will never win by just blocking vouchers and pleading for more money—although both of those things need to be done. We have moved from the struggle for universal access to the challenge of universal proficiency. The paradigm has shifted on us.

Nobody fought the great civil rights battles of the last century for access to mediocrity. They fought them for access to excellence. And if we use our collective resources and best thinking to the challenges we face, then we will have won the real battle for public education. And we will have done it for all our kids.

—Michael Casserly, Executive Director, Council of the Great City Schools, in a speech to Scholastic’s Superintendents Literacy Leadership Summit, September 18, 2003



ECONOMIC OUTLOOK IS BRIGHTER, BUT SOME STATES STILL STRUGGLE WITH BUDGET SHORTFALLS

According to a new report from the **National Conference of State Legislators (NCSL)**, the dire financial straits in which many states found themselves are beginning to ease. During fiscal 2003, 31 states faced budget deficits that totaled over \$17.5 billion. Now, only 10 states face deficits, with a total of \$2.8 billion in shortfalls. This news from NCSL comes as the federal government is reporting that the nation's gross domestic product grew at the fastest pace since 1984.

Even though the economy is beginning to show signs of life, many states are still in financial trouble. Michigan, for example, faces a deficit of \$505 million, or 5.6 percent, of its general fund, and \$361 million, or 2.9 percent, of its School Aid Fund. In response, the state is expected to cut approximately \$196 from its per pupil expenditures of \$8,278. Even some states who are in better shape financially have already exhausted rainy-day funds in an effort to save education programs from the chopping block. Without these reserves education budgets could come back into play.

Number of States With...	Nov. FY '03	Nov. FY '04
Budget Gaps	31	10
Revenues Above Forecast	3	21
Revenues on Target	10	13
Revenues Below Forecast	37	16
A Stable Revenue Outlook	8	24
Cumulative Budget Gap	\$17.5 billion	\$2.8 billion

The complete report is available at:
<http://www.ncsl.org/programs/press/2003/pr031121.htm>



NATIONAL ORGANIZATION WORKS AGAINST TAX INCREASES FOR SCHOOLS: Effects Felt in Alabama and Oregon

A national organization is making a name for itself in working against tax increases that would benefit schools. The **Citizens for a Sound Economy**, led by former **House majority leader Dick Arme**y, has seen success in fighting back tax increases for additional education spending.

In Alabama, the group worked to defeat a \$1.2 billion tax increase package proposed by **Alabama Gov. Bob Riley (R)** that would have helped erase the state's budget shortfall, shifted the tax burden from the poor to the rich, and improved public education in the state. Instead, the state cut 88 percent of funding for new textbooks and eliminated funding for teacher professional development and school technology. By tapping into a rainy-day fund, the state was able to postpone laying off teachers and support staff, but it may have to revisit the issue during the next school year.

National Organization Works Against Tax Increases for Schools

(Continued from p. 3)

Now Citizens for a Sound Economy has a new target. In Oregon, lawmakers approved a 13 percent increase for education programs that will be paid for in part by a \$792 million tax increase. Thanks in no small part to Armev's organization, which led a drive to collect 50,000 signatures on a petition calling for a voter referendum on the tax increase, the spending increase is now in doubt. The legislature's tax increase package is now slated to go before voters on Feb. 3 in a special election to determine the future of Oregon's schoolchildren. If the tax increase is defeated, automatic cuts in education, social services, and public safety spending will be enacted.

Some proponents of the tax increase say that although Citizens for a Sound Economy tries to pass itself off as a grassroots organization, it is really advocating on behalf of big business and its allies. Armev, meanwhile, claims that his group has 12,000 members in Oregon and that the campaign against the tax increase is led by members within the state.

New Tax Package by Virginia Governor Would Provide \$715 Million for Schools

A new tax reform plan by **Virginia Governor Mark Warner (D)** could very well be the Citizens for a Sound Economy's next target. Gov. Warner's plan would generate \$1 billion in new state money, including \$715 million for basic school aid, by increasing the state sales tax by one cent, raising taxes on cigarettes, and on individuals who earn over \$100,000 annually.

"For too long, Virginia has failed to pay its fair share for public schools, putting pressure on local governments to raise property taxes to pick up the slack," Warner said. "At the same time, as Virginia grows, more and more students are entering our schools every year at all levels, from preschool to graduate school."

Warner's plan would reduce the tax on food and groceries from 4 cents to 2.5 cents, but raise Virginia's lowest-in-the-nation tax on cigarettes from 2.5 cents to 25 cents. The plan would close corporate tax loopholes, eliminate the estate tax for working farms and family-owned businesses, and eliminate the property tax on automobiles by 2008.

"The message is simple," Warner said. "We must address structural problems within the budget. But again, we find an opportunity: to make the system of collecting taxes more fair, and to actually give two-thirds of Virginia taxpayers a break."

In addition to increased funding for schools, Warner says his plan would put an end to budget shortfalls for the rest of the decade. Currently, the state is facing a \$1.2 billion shortfall in the next two-year budget.

According to the *Washington Post*, a number of the consultants who worked with the anti-tax movement in Alabama are either located in or got their start in the anti-tax movement in Virginia. The article stated that these individuals "will certainly be putting these skills to work once again in the upcoming battle in Virginia."



ARKANSAS TAKES A LOOK AT ADEQUACY: Study Finds \$838 Million Needed to Provide an Adequate Education

According to a new costing-out study, Arkansas needs to spend an additional \$848.3 million to provide an adequate education for its K-12 students. This amount is 30 percent more than the state spent on K-12 last year. Currently, Arkansas spends an average of \$5,568 per pupil, the fourth lowest amount in the country. Some recommendations from the study were: lower teacher-student ratios, higher teacher salaries, and preschool education. The Arkansas Joint Legislative Committee on Education Adequacy commissioned the study.

The study's findings were broken down into five themes:

1. Providing adequate funding
2. Closing the achievement gap
3. Ensuring accountability for results, including performance pay for teachers
4. Emphasis on early intervention
5. All proposals are evidence based, using research on what works

Most of the additional spending recommended in the report was directed toward teachers. The report called for \$224.6 million for “evidence-based policies.” This money would go toward reducing teacher-student ratios to 15-to-1 in grades K-3 and 25-to-1 in all other grades. It would also provide for extra teachers in schools with high enrollments of low-income children and English-language learners.

The study also recommended \$356 million for higher teacher salaries. Of that total, \$183 million would be spent on a 10 percent teacher pay raise in an effort to make Arkansas teacher salaries comparable to their counterparts in surrounding states. Teacher incentives, or “adders,” of \$94 million in total would be used to encourage teachers to work in “less desirable geographic areas,” and in subject areas where there are shortages of qualified teachers. In addition, teachers with graduate degrees would receive additional salary.

Other recommendations included \$100 million for pre-kindergarten for all three- and four-year olds from families whose income is twice the federal poverty level or lower and \$167.7 million in supplements to the current funding formula. This supplement would pay school districts that are unable to raise enough money to pay for their programs because of caps on property taxes.

Arkansas lawmakers readily admit that the study recommendations cannot be fully implemented and largely view the study as a wish list. “We’re going to have to prioritize...and try to keep moving up as quickly as we can without creating a taxpayer revolt,” **Sen. Brenda B. Gullett, the vice chairwoman of the Arkansas Senate education committee** told *Education Week*.

To his credit, **Gov. Mike Huckabee (R)** has proposed \$368 million in new funding for education that includes lowering class sizes to 20 in grades K-3 and to 25 in other grades. He would also add professional development and performance bonuses for teachers and increased spending on preschool. The package would be paid for by a 1 percent increase in the state sales tax.

The complete report is available at:

<http://www.arkleg.state.ar.us/data/education/FinalArkansasReport.pdf>



COST-CUTTING MASQUERADES AS EDUCATION POLICY: States Propose to Eliminate the Senior Year

Facing fiscal crises, some states are developing new education “policies” that are, in reality, merely cloaks for political expediency. Their perversion of some of the most interesting ideas for helping students to get a head start on earning college credits while still in high school – the “early college” high schools that have been promoted by national funders including the Bill & Melinda Gates Foundation, the Carnegie Corporation of New York, the Ford Foundation, and the W.K. Kellogg Foundation – is likely to have devastating negative consequences for the very students the plans purport to help.

Specifically, Florida and Colorado legislators have introduced proposals to eliminate the senior year. These plans, touted as a way to “provide students with accelerated graduation options,” have emerged as the direct results of budget constraints that have policymakers seeking ways to cut classroom time and reduce required course loads. Part of a cost-cutting movement to get students out the door, they have been denounced by educators and policymakers at all levels.

In Florida, lawmakers have already given approval to a plan that would allow students to graduate from high school with 18 credits rather than the traditional 24. Facing a constitutional requirement to reduce class size, lawmakers saw the proposal as a way to shrink classes and save money. The new graduation plan received so little attention in the state legislature that many high school guidance counselors did not even know of its existence until they were told to inform students of the option in August. In addition to the revised graduation requirements, the legislature also approved additional “virtual schools” that allow students to learn from home and more tax credits for businesses that fund private school vouchers.

Local and federal officials have already begun to criticize the new, lower, graduation standards. The state’s university Board of Governors has denounced the program. The Polk County School Board is considering an amendment that would prevent students who participate in the three-year plan from becoming valedictorian or salutatorian. In Washington, D.C., **U.S. Rep. Jim Davis (D-FL)** has promised to introduce a bill in Congress requiring states, as a condition for receiving federal education funds, to make American government and history graduation requirements. Currently, the plan requires students to have three social studies credits, but allows students to decide whether to enroll in American history and government classes. A spokesman for **Gov. Jeb Bush (R)** has said that the Florida Department of Education will suggest changes next year that will require American history and government as part of the three-credit social studies requirement. He also raised the possibility of increasing the grade-point-average requirement for participants from 2.0 to 3.0.

In Colorado, some state lawmakers have asked top education leaders to consider eliminating 12th-grade entirely and establishing a year of preschool instead. They have said that such an option would better prepare students for college by giving them an early start while saving tax money at the same time. Currently, only 68 percent of Colorado’s high school seniors graduate from high school and only 25 percent are considered college ready, according to **Jay Greene of the Manhattan Institute for Policy Research**.

These proposals in Florida run directly counter to the recommendations made by a National Commission on the High School Senior Year. Released in October 2001, the report, *Raising Our Sights: No High School Senior Left Behind*, called for “more rigorous alternatives to traditional senior years that merely prolong ‘seat-time’ by encouraging the development of capstone projects, the development of meaningful internships, and opportunities to take college-level courses.”

Specifically, the report identified three challenges to improve the senior year of high school:

- **Improve Alignment:** Lack of alignment between the curriculum, standards, and assessment systems of K-12 and postsecondary education means that students find themselves poorly prepared for postsecondary education and work. Communication gaps between the systems contribute to inadequately prepared teachers and to unacceptably large numbers of college dropouts.
- **Raise Achievement:** In today’s knowledge-based economy, all students will need more than a high school education. Levels of achievement must be improved dramatically to prepare them for the demands of life, work, and further learning.
- **Provide More Rigorous Alternatives:** Educators and policymakers need to develop the will and fortitude to rethink the last year of high school and provide demanding options leading to a seamless transition to further education or work.

Susan Frost, the President of the Alliance for Excellent Education, said the high school report was ahead of its time in recommending a new look at the way we organize high schools and a far cry from the recent proposals put forth in Florida and Colorado in dealing with the senior year. “Eliminating the last year of high school in order to free up funds for early education looks like the ‘rob-Peter-to-pay-Paul’ approach that we’ve been trying to get beyond,” she said. “My biggest concern is that the six million students currently reading below ‘basic’ levels will have even less time to catch up to their more prepared peers. They may even need five years to be college ready. Some students are so far ahead that they might complete the basic curriculum by the end of 10th-grade. One size does not fit all.”

Limited quantities of *Raising Our Sights: No High School Senior Left Behind* are available from the Alliance upon request. Send e-mails to Jamos@all4ed.org.

New on the Bookshelf: *Political Education* by Christopher T. Cross

A new book Christopher T. Cross traces the evolution of federal education policy during the last half of the 20th century—from World War II to the present. Cross brings to this book his own experience of 32 years in Washington, D.C., and combines research with interviews of people who held key positions during that time.

Cross is a senior fellow at the Center for Education Policy and a distinguished senior fellow at the Education Commission of the States. He also serves as a member of the Alliance for Excellent Education’s national advisory board. The book is available from Teachers College Press at: <http://store.tcpres.com/0807743976.shtml>



The Alliance for Excellent Education wishes you and yours a happy holiday season and a wonderful 2004! The next issue of *Straight A's* will be published around the middle of January.

Straight A's: Public Education Policy and Progress is a biweekly newsletter that focuses on education news and events both in Washington, D.C., and around the country. The format makes information on federal education policy accessible to everyone from elected officials and policymakers to parents and community leaders. The Alliance for Excellent Education is a nonprofit organization working to make it possible for America’s six million at-risk middle and high school students to achieve high standards and graduate prepared for college and success in life.



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Public Education Policy And Progress

Volume 3 No. 21: December 15, 2003

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