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DROPOUT STATISTICS CONTINUE TO PLAGUE HIGH SCHOOLS: Houston Miscalculates Dropout Numbers; Reform Efforts Underway in Ohio and New York City

In *High School Graduate Rates in the United States*, **Jay P. Greene of the Manhattan Institute** notes that less than 75 percent of all eighth-graders graduate from high school in five years, and in urban schools the graduation rates often dip below 50 percent. Nationwide, he pegs the graduate rate at a dismal 69 percent. To give a true picture of what is happening in high schools today, Greene calculated the number of students graduating on time. Previously, school districts tried to calculate the number of dropouts, which severely underestimated the problem.

In Houston, for example, school officials have been making headlines for incorrectly reporting the number of dropouts. A recent state audit found that more than half of the 5,500 students who left the school system in the 2001-2002 school year should have been classified as dropouts but were not, according to *The New York Times*. As a result, the audit recommends that the accountability ranking of 16 middle and high schools should be changed from “exemplary” or “recognized” to “academically unacceptable.” The Houston school district is appealing the decision to state officials, saying that the problem was merely sloppy record keeping.

Meanwhile, in Ohio, Susan Tave Zelman, the state superintendent of public instruction, is working to improve the state’s graduation rate with help from the **Bill and Melinda Gates Foundation** and the **KnowledgeWorks Foundation**. She recently told *The Cincinnati Enquirer* that about 20 percent of the state’s ninth-graders never graduate. In some districts, according to *The Enquirer*, fewer than half of ninth-graders graduate.

In response, the State Board of Education created a new statewide high school redesign task force that will examine successful schools in the Cincinnati and West Clearmont districts. Over the last two years, large high schools in these two districts have been able to raise student achievement by creating small, focused high schools that help all students achieve.

Research has shown that smaller schools personalize and contextualize students’ education experience and facilitate the implementation of other effective strategies such as literacy instruction, block scheduling, and other support services for those in need of extra help. The task force is scheduled to make its recommendations in June 2004.

Gates Foundation Expands Presence in New York City

In addition to announcing its grant to the state of Ohio, the Bill and Melinda Gates Foundation recently added two more schools to its family of early college high schools. The two new schools, the Science, Technology, and Research High School and the Manhattan/Hunter Science High School expect to hold no more than 500 students and offer advanced curriculum to every student, not just the highest performers.

The two new schools are part of the foundation's plan to sponsor 150 new early college high schools nationally. The concept behind the advanced curriculum for all is "based on the notion that less accomplished students—including those in danger of dropping out—are capable of handling more difficult work and that more of them will graduate if they are challenged more," according to *The New York Times*. "There are many, many more students who are capable of more rigorous work," said **Michele Cahill, senior counselor to the New York City schools chancellor for education policy**. "This is an attempt to have more of a variety of high schools for them to attend," she told the newspaper.

Read the Houston dropout article at:

<http://www.nytimes.com/2003/07/11/national/11HOUS.html>

Read *The Cincinnati Enquirer* article at:

http://www.enquirer.com/editions/2003/07/16/loc_stateboard.html

Read more about the New York City reform efforts at:

<http://www.nytimes.com/2003/07/14/nyregion/14SCHO.html>

Learn more about the Bill and Melinda Gates Foundation at:

<http://www.gatesfoundation.org>

Partners in Hispanic Education: White House Initiative Leads to New Partnership

Earlier this month, the U.S. Department of Education announced a new partnership that would work toward improving education for Hispanics in the United States. The partnership includes some of the nation's leading Hispanic organizations, corporate leaders, and national private entities, as well as the individuals connected with the White House Initiative on Educational Excellence for Hispanic Americans.

According to the department, the partnership's goal is to "empower the Hispanic community by equipping families with educational tools and informational resources afforded under *NCLB* in order to assist them in becoming stronger advocates for their children's education from early childhood to college completion." According to a recent report by the Pew Hispanic Center, the partnership has its work cut out for it. The report, *Hispanic Youth Dropping Out of U.S. Schools: Measuring the Challenge*, found that one of every three Hispanic youths in the United States is a high school dropout.

Read the complete press release from the U.S. Department of Education at:

<http://www.ed.gov/PressReleases/07-2003/07092003.html>



FROM SURPLUS TO RECORD DEFICIT: A Swing of \$602 Billion in the U.S. Budget Deficit

Last week, the White House Office of Management and Budget (OMB) announced a record \$455 billion federal budget deficit for fiscal 2003. According to the *Washington Post*, the \$455 billion deficit is “up sharply from \$158 billion in the fiscal year that ended Sept. 30, 2002.” The \$455 billion figure is a \$602 billion (\$602,000,000,000) difference from 2001 when President Bush took office. That year, the government posted a \$127 billion budget surplus. According to last week’s estimates, the deficit is expected to reach \$475 billion in fiscal year 2004, not including costs of the occupation of Iraq.

Of the record deficit, the **new director of OMB, Joshua B. Bolten** attributed 53 percent to the economic downturn, 24 percent to war, homeland security and other new programs, and 23 percent to the three successive tax cuts enacted since 2001. Republicans, however, were quick to say that the tax cuts will boost economic growth and ultimately shrink the deficit. “The tax cuts proposed by the president and enacted by Congress are not the problem,” said Bolten. “They are and will be part of the solution.”

However, according to **Robert Greenstein, the executive director of the Center on Budget and Policy Priorities**, the administration’s tax cuts have played a much larger role in the ballooning of the deficit: “Over 2003 and 2004, the cost of the tax cuts will be nearly three times as great as the *combined* cost of military operations and reconstruction in Iraq and Afghanistan, increased costs for homeland security, and rebuilding after September 11. In subsequent years, the cost of the tax cuts will surpass the costs of the war on terrorism by even larger margins.”

Federal Tax Cuts Mean Less Money for Education, Other Federal Obligations

Regardless of the impact that federal tax cuts have on the federal deficit, most agree that tax cuts have had a higher importance for the administration and the leadership in Congress than any other national priority. Many states, for example, accuse the federal government of giving tax cuts priority over its commitments to help states fund special education, the *No Child Left Behind Act*, health care, and homeland security.

As a result of decreasing federal funds, state governors and legislators, who are already facing the largest combined state budget shortfall since World War II, have to severely cut spending in almost every area. At the end of the line, local governments are forced to make voters choose between steep cuts in services or higher property taxes. According to the *Washington Post*, voters in Melrose, Mass., a suburb of Boston, recently refused a hike in property taxes. As a result, 35 teachers were laid off and class size had to be increased from 18 to 25 in elementary school, from 22 to 27 in middle school and from 22 to 30 in high school. In Fall River, Mass., the mayor and city council recently decided to raise property taxes 8 percent, or \$335 per household, to cover the \$3.3 million shortfall in the city’s budget.

Read the complete *Washington Post* article at:

http://www.washingtonpost.com/wp-dyn/articles/A56160-2003Jul14.html?nav=hptop_ts



OBEY AMENDMENT TO INCREASE EDUCATION FUNDING \$5 BILLION FAILS ON HOUSE FLOOR: House Goes on to Approve Smallest Education Increase in Eight Years

On July 10, during consideration of the fiscal 2004 education spending bill, the House of Representatives rejected an amendment by **House Appropriations Committee Ranking Member David Obey (D-WI)** that would have provided a \$5 billion overall increase for education over FY 2003 by reducing the size of the tax cut. While the House of Representatives eventually passed a spending bill that provides \$55.4 billion for education programs in fiscal 2004, the total increase, 4.3 percent more than the fiscal 2003 funding level, is the smallest increase for education in eight years.

According to Obey, his amendment would have reduced the size of the tax cut for the 200,000 taxpayers with incomes of more than \$1 million per year. Instead of receiving the \$88,000 tax break provided in the tax cut legislation, millionaires would receive tax cuts of about \$60,000 a year. On a procedural motion, a vote to consider the amendment failed by a 199-222 vote and was, therefore, not allowed to come up for a vote.

During the debate on the bill, Democratic members claimed that the majority's affinity for tax cuts has led to the tight spending limits this year. Rep. Obey, among others, criticized the fiscal policies of House Republicans:

The core of the problem lies with the budgetary policies of the Republican Majority that controls the Congress—policies that favor repeated rounds of tax cuts, targeted at the highest income levels, ahead of all other national priorities. While the funds necessary to provide an adequate level of services through the programs contained in this bill are substantial, they represent only a tiny fraction of the \$136 billion in FY 2004 tax cuts just voted into law by this Congress.

An additional amendment was offered by **Rep. Tom Allen (D-ME)**, which would have waived *NCLB's* accountability requirements unless Congress provided the full authorized funding level of \$18.5 billion for the Title I program in fiscal 2004. The amendment failed by a vote of 199-223.

Despite objections by Obey and his Democratic colleagues, the House was able pass the fiscal 2004 Labor-HHS-Education Appropriations bill by a vote of 215-208. No Democrats voted for the bill, but nine Republicans crossed party lines to vote against it.

Education Advocates Remain Hopeful for Additional Funding in the Senate

According to *CQ Weekly*, with the passage of the Labor-HHS-Education spending bill, House Republican leaders believe they cleared a major hurdle and now hope for relatively smooth sailing for all 13 appropriations bills—at least through the party-line-toeing House of Representatives. The more difficult hurdle to passage will come when the Senate considers the bill—which is not likely to occur until September, after Congress returns from the August recess.

While House rules usually allow the majority party to block amendments and prevent members from having to make a politically tough vote, the rules (and tradition) in the Senate are more protective of the minority. Already, Democratic senators are planning to offer a number of targeted education amendments that would increase funding levels for Title I, the *Individuals with Disabilities Education Act*, GEAR UP, TRIO, Afterschool programs, Rural Education, and Pell Grants, among others. Essentially, Republican senators will have to balance their concerns about voting against spending increases for politically popular programs against the tight spending limits that President Bush has imposed on them.

Earlier this year, in negotiations over last year's spending bill, the Senate passed an education amendment that added \$5 billion in untargeted money for education programs, but included an across-the-board cut for all programs, including education, in order to pay for it. Including the \$5 billion amendment, the Senate spending bill provided a \$6.65 billion increase for education programs—approximately \$6 billion more than the House version. In conference negotiations, however, the increase was cut by more than 50 percent to \$3.16 billion. Some observers are expecting to see the same scenario during the debate on this year's education spending bill.



HOUSE APPROVES TEACHER BILLS: Teacher Preparation and Loan Forgiveness Expanded

On July 9, the House of Representatives passed two pieces of legislation that would help states and school districts meet the “highly qualified teacher” requirements of *No Child Left Behind (NCLB)*. The *Ready to Teach Act*, H.R. 2211, sponsored by **Rep. Phil Gingrey (R-GA)** would hold teacher-training programs accountable for the teachers they produce and ensure that they possess the necessary skills to be highly qualified and ready to teach when they enter the classroom. It would also ensure that states only allow highly qualified individuals to teach in their schools.

The second bill, the *Teacher Recruitment and Retention Act*, H.R. 438, sponsored by **Rep. Joe Wilson (R-SC)** would build on the current \$5,000 loan forgiveness provision in the *Higher Education Act* and would increase college loan forgiveness to up to \$17,500 for every reading, math, science, and special education teacher who teaches for five years in a Title I school (those with a poverty rate over 40 percent).

Another change to the existing law was made at the committee level. At the behest of **Reps. Rush Holt (D-NJ)** and **Dale Kildee (D-MI)**, **House Education and the Workforce Committee Chairman John Boehner (R-OH)** inserted a provision into Wilson's bill that no longer requires loan forgiveness candidates to wait until the end of their five-year service to have their loans forgiven. According to the new provision, loan forgiveness candidates will receive up to \$2,625, or 15 percent (whichever is less) of the total of their outstanding loan obligation after the completion of their second year of service; up to \$2,625, or 15 percent after their third year, up to \$4,375, or 25 percent after their fourth year; and up to \$8,750, or 50 percent, after their fifth year. If a person begins

House Approves Teacher Bills

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to receive money toward loan forgiveness, but fails to complete the five-year requirement, he or she must repay the federal government the amount he or she received.

Although both bills easily passed the House with bipartisan support, many Democrats took issue with Wilson's bill because it only includes additional loan forgiveness for math, science, and special education teachers. An amendment by **Rep. George Miller (D-CA)** added loan forgiveness for reading teachers. Because of the rule adopted by the House Rules Committee, several Democrats were unable to offer amendments that would have extended additional loan forgiveness to teachers in all subjects who teach in high-poverty schools.

Rep. Pete Sessions (R-TX), a member of the House Rules Committee, pointed out that the bill was meant to "aim this money, these loan forgiveness opportunities, at the teachers who we need most." But later during floor debate, Boehner explained that funds for this bill are quite limited and that expanding loan forgiveness to other teachers would fall outside the constraints of the available funds. Therefore, he added, covering more teachers would result in covering fewer high-poverty schools.

In *Left Out and Left Behind: NCLB and the American High School*, the Alliance for Excellent Education found that the problem of teachers teaching out of field exists across all fields in high-poverty schools, including those not covered by the legislation. Most notably, 53.9 percent of all history teachers lack a major or minor in history. (See chart below.)

Percentage of public secondary school students taught by a teacher <i>without</i> a major or minor in that field							
	English	Math	Science	Biology	Physics/ Chemistry	Social Studies	History
Total All Students	20.8%	26.6%	16.5%	38.5%	52.6%	13.4%	53.9%
By Achievement Level of Student							
Low-Achieving	24.7	33.5	20.4	42.3	66.8	14.3	55.1
High-Achieving	11.2	20.4	7.2	20.7	43.0	11.2	51.1
By Grade Level							
9	15.7	18.1	10.7	27.9	61.7	8.7	48.7
10	11.1	16.8	8.9	29.3	45.7	8.8	51.1
11	11.2	15.9	6.4	23.5	36.8	6.8	47.0
12	13.9	24.2	13.1	25.3	41.0	11.3	62.4

Source: R.M. Ingersoll, *The Problem of Under-qualified Teachers in American Secondary Schools*, 1999.



MEETING THE HIGHLY QUALIFIED TEACHERS CHALLENGE: Too Many Teachers Teaching Outside of Their Field, Paige Says

Last week, in his second annual report to Congress, **U.S. Secretary of Education Rod Paige** wrote that many classrooms in our nation's schools are being led by teachers without a major or minor in the field in which they teach. In *Meeting the Highly Qualified Teachers Challenge*, Paige outlined policy changes that states should consider, examined progress that states are making, and provided examples of successful programs already underway throughout the country.

In the report, Secretary Paige noted that only 54 percent of our nation's secondary school teachers were highly qualified during the 1999-2000 school year, the most recent year for which complete data exists for all the states. In core subject areas, the breakdown is as follows: In English, half of secondary school teachers were uncertified. In math, the figure is 47 percent. Science and social studies fared slightly better at 55 percent.

With the report's release, Paige announced a series of initiatives designed to assist states and educators in meeting the highly qualified teacher requirements of the *No Child Left Behind Act (NCLB)*. As part of one initiative, members of the Teaching Assistance Corps will travel to states and perform on-site reviews, address specific states' challenges, and clarify any issues that may appear unclear in *NCLB*. Paige also announced that the Education Department is developing a tool kit that will provide educators with easy-to-understand information on *NCLB*, as well as information about loan forgiveness and tax credits, such as a \$5,000 federal loan forgiveness program for teachers in high-poverty schools or a tax credit for personal expenditures on classroom materials.

Secretary Paige also addressed the central themes of teacher preparation—especially preparation in academic content and expanded opportunities for talented individuals to become teachers—that will be addressed in the reauthorization of the *Higher Education Act*. In his words, “If *NCLB* sets the schedule and the destination of teacher quality reform, then a reauthorized *Higher Education Act* is one important way to get there.”

Near the end of the report, Paige offered a brief description of the federal-state partnership that is needed to ensure that every child has a highly qualified teacher:

This report demonstrates that by exchanging new ideas, by disseminating enlightening research and by spreading news of bold reforms we can both learn from and help one another as we all work toward the same goal. For its part, the Department will continue to team with those who seek to produce high-quality teachers by raising standards and lowering barriers.

Read the full report at: <http://www.ed.gov/offices/OPE/News/teacherprep/>

Straight A's: An Update on Public Education 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 non-profit organization working to make it possible for America's 6 million at-risk middle and high school students to achieve high standards and graduate prepared for college and success in life.