

DEMOGRAPHY IS NOT DESTINY

Reform Lessons from Florida
on Overcoming Achievement Gaps

By MATTHEW LADNER AND VICKI E. MURRAY

Foreword by Jeb Bush

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FOREWORD BY JEB BUSH

A decade ago, Florida schools were failing and ranked near the bottom in nearly every national survey. More than half of the state's public-school students were not reading or performing math skills at grade level. Mediocrity was tolerated and excuses were more common than accountability. Back then, schools tracked library books better than students' progress and poor performance in schools produced a round-robin of blame, with plenty of excuses and finger-pointing for the lack of learning.

We knew it would take dramatic reform to turn the system around. In 1999, Florida adopted the A+ Plan for Education, a bold initiative to return a culture of achievement to public schools. The plan was based on high standards and expectations, clear measurement and accountability, parental choice and competition, and rewards and consequences for results.

Today, Florida measures student achievement annually in reading and math from third through 10th grade and schools are held accountable for ensuring that students learn a year's worth of knowledge in a year's time. As a result, schools are performing better and hundreds of thousands of Florida students are receiving a higher quality education.

According to the National Assessment of Educational Progress (NAEP), our fourth graders are now above the national average in reading and math. Eighth graders are ninth in the nation in writing. The achievement gap for minorities is narrowing, with increasing numbers of African Americans and Hispanics making the grade. Florida's high-school graduation rate has increased by more than 12 percent since 1999 and more students are attending college.

School choice was one of the tools that dramatically improved student achievement and spurred the turnaround in Florida. Poor students, students with disabilities and students in chronically failing schools were afforded the same

opportunities as affluent families who have the money to make the choice. While these programs have been at the center of a longstanding, partisan-waged war on vouchers, I'm heartened to find growing support for choice from across the aisle. Increasingly, both Republicans and Democrats agree that competition drives performance in education and government alone cannot meet the unique needs of every single child. This year, Florida expanded its successful, cost-saving corporate tax scholarship program with a record investment that was approved with overwhelming bipartisan support.

Enacting reform is difficult. There is a huge difference between the theory of reform and the reality of it—it is a lot harder than it looks. It requires full transparency, unyielding tenacity, aggressive communication, and continuous advocacy and the courage to measure progress and then deal with the consequences.

Reviewing this study reminded me of how far our students have come in the past decade, but also how far we still have to go in creating the world-class learning institutions needed to regain the competitive edge in the 21st century economy. People from across the ideological spectrum can agree that improving the quality of education for students from every background, from pre-K through high school, is the great challenge of our time. We need to put partisan rhetoric aside and work together to raise student achievement through reforms that produce measurable results.

JEB BUSH

*Jeb Bush is a former governor of Florida
January 1999–January 2007*

EXECUTIVE SUMMARY

Today California ranks 48th in basic reading and math skills. A challenging student population is a popular scapegoat. But is demography destiny? Empirical evidence shows that it doesn't have to be.

Like California, Florida has one of the largest and fastest growing Hispanic populations, and almost half of all students are low-income. Yet Florida's inner-city, low-income fourth-grade students outperform the California average *for all students* in reading on the National Assessment of Educational Progress (NAEP), commonly referred to as the Nation's Report Card. The average family income for these Florida students is well below \$38,000 per year. Median family income in California, by comparison, is \$64,563.

Also, on the reading assessment—conducted in English—the average Florida Hispanic student scores higher than California students overall. More incredibly still, Florida's *low-income* Hispanic population outscores the average California student in fourth-grade reading.

In 1999 Florida adopted a dual strategy of accountability from both the top down (state testing) and bottom up (parental choice). The strategy is clearly working. While California has adopted top-down accountability measures, it has yet to embrace parental choice. Governor Arnold Schwarzenegger declared 2008 “The Year of Education Reform.” If California policy makers are serious about improving educational outcomes for all students, including children from the most disadvantaged socio-economic backgrounds, they should reconsider their resistance to letting all parents—not just the ones who can afford to move to upscale neighborhoods—select their children's schools.

INTRODUCTION: DEMOGRAPHY AS EDUCATION DESTINY

Is demography destiny? If so, say some experts, states with growing Hispanic populations seem doomed to fail, weighed down with ineffective school systems and abysmal test scores. One demographer went so far as to predict that the Southwest will become the “Appalachia of the 21st Century” due to the burgeoning Hispanic population. “Demography is destiny,” he explained, adding:

Latinos are the fastest-growing population group in the Southwest; they will soon make up a majority of public school students; and, as with Appalachian residents in the past, they have chronically low levels of educational achievement—something that has hurt the economic competitiveness of states in the Appalachian region for decades.

When pressed to elaborate because this dire prediction assumes that Southwestern states like California will not be able to get their educational act together, the demographer responded: “Like I said, the Southwest will be the Appalachian region of the 21st Century.”¹

In 2007, the federal government released mathematics and reading achievement scores at both the fourth- and eighth-grade levels on the National Assessment of Educational Progress (NAEP), commonly referred to as the Nation’s Report Card. Students in West Virginia, for decades the state most closely associated with Appalachian poverty, outscored California students on three of the four assessments: fourth-grade mathematics, fourth-grade reading, and eighth-grade reading. California tied with West Virginia on eighth-grade mathematics achievement.

Students in West Virginia, for decades the state most closely associated with Appalachian poverty, outscored California students on three of the four assessments.

Today, California ranks 48th in basic reading and math skills.² A challenging student population is a popular scapegoat with state education officials. More than one in five California children lives in poverty and about half of K–12 students participate in the federal program for free and reduced-price meals.³ At 13.2 million, California has the largest Hispanic population, increasing by more than a quarter million since 2006.⁴ Hispanic students represent the largest share of California’s K–12 students (48.1 percent) and are disproportionately represented in the lowest scoring levels on state and national achievement tests.⁵ But is demography destiny?

While some experts apparently think so, others disagree. A team of Stanford University researchers conducted the most comprehensive review to date of the California public school system in 2007. They concluded,

Despite the development of challenging education standards and sustained attention to school improvement over the past decade, California continues to lag behind other states in achievement scores. The problem is substantial. On many different measures of achievement, California’s students fall far behind those in other states.... Some suggest that California’s position simply reflects the large minority populations in the state, but the facts on achievement belie this. California schools do not do well for any group.⁶

Additional research corroborates that conclusion. At more than one in 10 affluent suburban California schools, nearly 300 in all, a majority of students in at least one grade are not proficient in English or math on the California Standards Test (CST). These schools have the demographics—and the education dollars—on their side.

Less than one-third of students at these affluent California public schools are low-income. Few are English learners or have disabilities. Parents are well educated, and most, if not all, teachers are certified. Median home prices around those schools also approach, and even exceed, \$1 million. At hundreds more high schools statewide in well-to-do areas, including dozens of “California Distinguished Schools,” where a majority of students do score proficient on the CST, only a fraction test college-ready on California State University’s Early

Assessment Program (EAP), which is optional for 11th graders who want to see how prepared they really are for college-level work.⁷ At half of all California Distinguished Schools, those deemed by the state as the “best of the best,” a majority of students in at least one grade is not proficient in English or math. In one in five of those “distinguished” schools, a majority of students in *all* grades is not proficient in English or math.⁸

At half of all California Distinguished Schools, those deemed by the state as the “best of the best,” a majority of students in at least one grade is not proficient in English or math. In one in five of those “distinguished” schools, a majority of students in all grades is not proficient in English or math.

To turn things around, Stanford University researchers caution against more business-as-usual fixes:

To the point, there is no evidence to support the idea that simply introducing more new programs will produce the desired achievement gains. California already has far over 100 well-intentioned categorical programs, and there is no reason to think that adding one or two more will make much difference, no matter how carefully targeted or lavishly funded. The marginal impact of any new program will be small. Quite simply, the governance and finance system is broken and requires fundamental reform not tinkering around the edges.⁹

Startling statistics show that with abundant parental choice and systemic education reform, Hispanic students in Florida now eclipse the average academic performance of all students in many states, including California. Like California, Florida has one of the largest and fastest growing Hispanic populations, and almost half of all students are low-income (45.8 percent).¹⁰ Yet Florida Hispanic students, including those from low-income families, outperform their California peers, even though public schools here receive in excess of \$2,300 more in state per-pupil funding.¹¹ California median household income is also nearly \$12,000 higher than Florida, and more of the adult population has a bachelor’s or advanced degree.¹²

This analysis reviews Florida’s strategy for education reform and the results to date, beginning with its landmark accountability programs.

Demography Is Not Destiny

Comparing the two states, the overarching question for parents, policy makers, and the taxpayers in the Golden State is this: If you were a student, especially an inner-city, low-income, or minority student, would you want to be in a California public school or one in Florida?

A DECADE OF EDUCATION REFORM: FLORIDA VERSUS CALIFORNIA

In 1999 Florida adopted a dual strategy of accountability from both the top down (state testing) and bottom up (parental choice). This strategy was initiated by former Governor Jeb Bush, who served from 1999 to 2006, and it continues under current Governor Charlie Crist, who served as Education Commissioner during much of this period.

Gov. Bush's A+ Opportunity Scholarship Program emphasized standards for the schools, transparency for parents, and immediate options for students in chronically failing schools. Failing schools faced real consequences for prolonged failure, including the loss of students to better quality private schools. Gov. Bush's choice strategy also included the creation of the nation's largest scholarship program for students with disabilities, the McKay Scholarship Program, and the Step Up for Students tax-credit scholarship program for low-income children.

Today, more than 900 Florida private schools educate close to 40,000 low-income and disabled scholarship students.

Today, more than 900 Florida private schools educate close to 40,000 low-income and disabled scholarship students. Florida also has a vigorous and growing charter school program, with 379 charter schools (and counting) educating more than 106,000 students.¹³

In addition, Florida took tough measures to end social promotion for students failing to master grade-level basics, and it greatly liberalized the teacher certification process.¹⁴

Florida's reformers met widespread resistance to their reforms, led by the *Palm Beach Post*, but forged ahead.¹⁵ (See Appendix for program descriptions.)

CALIFORNIA STUDENT PERFORMANCE LAGS 15 YEARS BEHIND FLORIDA

A decade ago, California and Florida chose radically different education reform paths. California ratcheted up its rate of school spending, while Florida maintained steady annual increases. Florida also implemented statewide tax-credit and publicly funded scholarships so parents of children with disabilities and students trapped in failing schools could enroll their children in better schools.

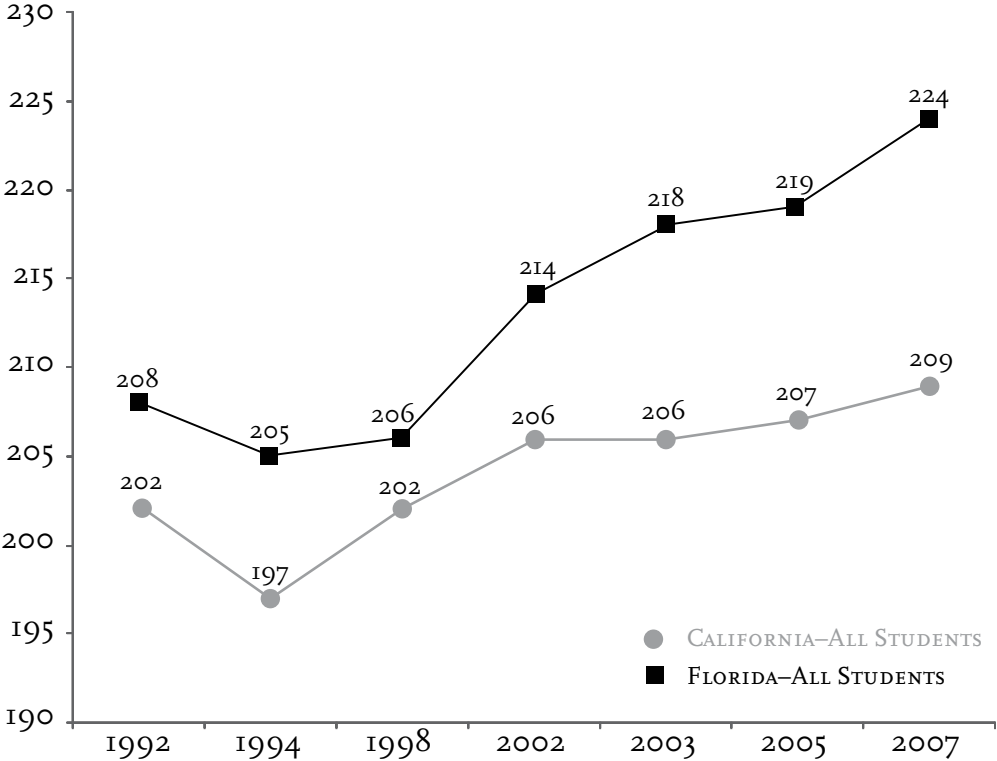
So what does Florida have to show today for this tough mixture of testing and parental choice? The best source of data to answer this question comes from the federal government. The NAEP tests representative samples of students in the states on a variety of subjects and provides the nation's most reliable and respected source of K–12 testing data.¹⁶

Children who do not learn to read in the early grades almost never recover academically, falling further and further behind with each passing grade. Reaching the middle school years, they literally cannot read their textbooks. Such students become academically frustrated and often disruptive. Hopelessly behind, such children begin dropping out of school in large numbers in the eighth grade. Consequently researchers, and this analysis, focus on fourth-grade reading scores.¹⁷

In 1998, a stunning 47 percent of Florida fourth graders were on this dropout track, scoring “below basic” on the fourth-grade NAEP reading test. Flash forward to 2007, and 70 percent of Florida's fourth graders were scoring at basic or above on fourth-grade reading. The percentage of Florida children failing to master basic literacy dropped by 36 percent—a remarkable achievement. Meanwhile, the percentage of fourth graders scoring “proficient” increased by 54 percent and the percent scoring “advanced” (the highest level of achievement) doubled, from four to eight percent.¹⁸

Figure 1 compares Florida and California fourth-grade NAEP reading scores. In 1998, the average California fourth grader was a mere four points behind the average Florida fourth grader in reading. By 2007, that gap nearly quadrupled, widening to 15 points. Those fifteen points make a substantial difference. On the 2007 exam, 47 percent of California fourth graders scored “below basic” on the NAEP reading test, the same as Florida nearly a decade ago in 1998. “Below basic” is a euphemism for the inability to read at grade level. In comparison, only 30 percent of Florida’s fourth graders scored below basic, which represents a 36-percent decline in the number of students not reading at grade level since 1998.

FIGURE I: Trends in Fourth-Grade NAEP Reading Scores:
All California and Florida Students, 1992–2007



SOURCE: AUTHORS’ FIGURE BASED ON NAEP PERFORMANCE DATA.
NOTE: NAEP READING ACHIEVEMENT IS SCORED ON A SCALE OF 0 TO 500.

Figure 1 reveals that from 1992 to 1998 California and Florida were on a similar performance trajectory. Fourth-grade student performance in California, however, largely stalled after 2002, while Florida's performance markedly and steadily improved after 1998, coinciding with the implementation of its state-wide parental choice programs. Absent such programs in California, it has taken the state's public schooling system 15 years to raise fourth-grade reading performance to the level of the average Florida fourth grader from 15 years ago.

Florida's superior improvement compared to California's stagnation is especially striking for several reasons that run counter to conventional wisdom. Until the 1997–98 school year, Florida had higher per-pupil expenditures than California. From then on California annually outspent Florida, growing to nearly 10 percent more as of the 2005–06 school year.¹⁹

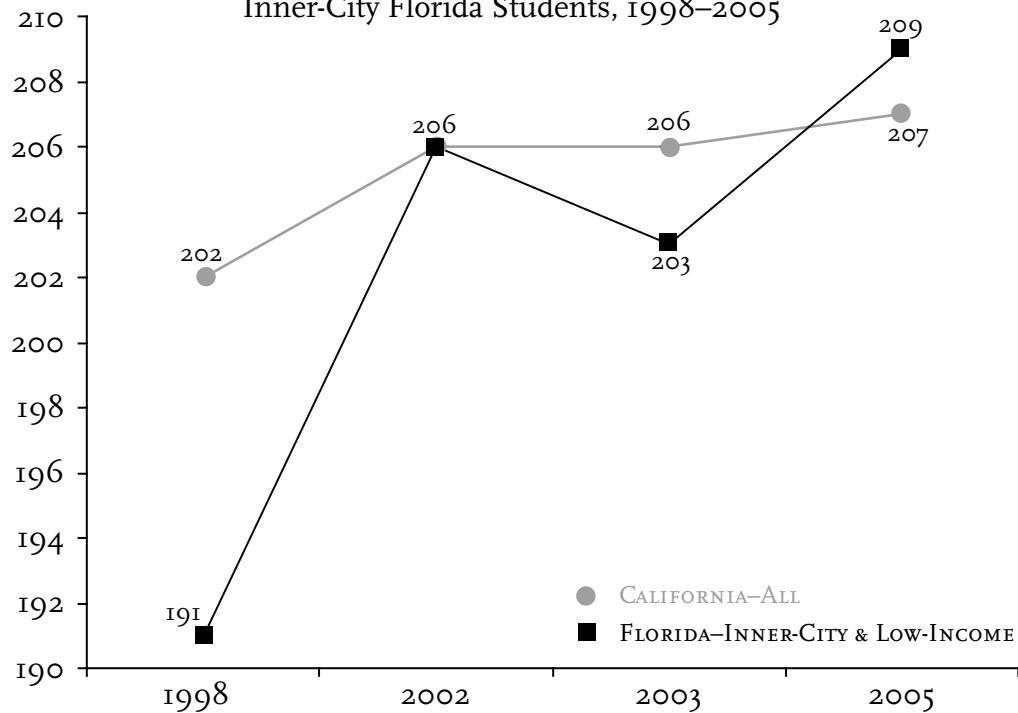
*Florida's inner-city,
low-income, and minority
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age California fourth graders.*

California has other advantages over Florida: A more highly educated adult population and a median household income nearly \$12,000 greater than that of Florida.²⁰ Despite those advantages, Florida's inner-city, low-income, and minority fourth graders outperform average California fourth graders.

FLORIDA LOW-INCOME, INNER-CITY STUDENTS OUTPERFORM AVERAGE CALIFORNIA STUDENTS

It is largely taken for granted that low-income students in the inner city are destined to lag far below their suburban peers from affluent families. The performance of Florida’s low-income, inner-city students, however, turns such conventional wisdom on its head.

FIGURE 2: Trends in Fourth-Grade NAEP Reading Scores: All California Students and Low-Income, Inner-City Florida Students, 1998–2005



SOURCE: AUTHORS' FIGURE BASED ON NAEP PERFORMANCE DATA.

NOTES:

1. NAEP READING ACHIEVEMENT IS SCORED ON A SCALE OF 0 TO 500.
2. "LOW-INCOME" IS DEFINED AS ELIGIBLE FOR THE FEDERAL FREE- OR REDUCED-PRICED LUNCH PROGRAM.

Demography Is Not Destiny

Low-income, inner-city Florida fourth graders turned an 11-point reading deficit into a two-point advantage over average California fourth graders in just six years. Thus, while California fourth-grade reading achievement improved five scale-score points in six years, Florida's low-income, urban fourth-grade improvement was nearly four times greater between 1998 and 2005 at 18 scale-score points.

FLORIDA HISPANIC STUDENTS OUTPERFORM CALIFORNIA STUDENTS OVERALL

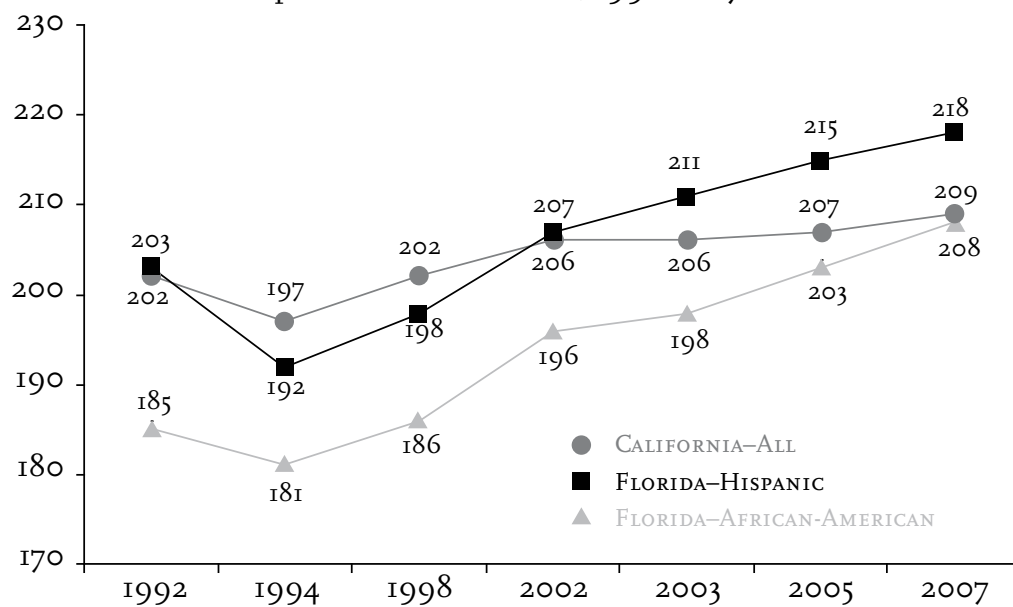
Typically, performance of students from advantaged student populations drives overall performance. In Florida's case, improved performance among minority students, the ones largely served by parental choice programs, appears to be propelling the rise in overall Florida student achievement. Florida Hispanic student scores have soared in recent years. In fact, Hispanic fourth graders now have the second-highest NAEP reading scores among all Hispanic students in the nation. This is a stunning achievement considering that Florida minority student performance used to be among the worst in the nation. African-American fourth graders in Florida scored seventh worst nationally in NAEP reading in 1992.

Typically, performance of students from advantaged student populations drives overall performance. In Florida's case, improved performance among minority students, the ones largely served by parental choice programs, appears to be propelling the rise in overall Florida student achievement.

Performance of Florida Hispanic fourth-grade students is so strong that average NAEP reading assessments—conducted in *English*—show higher scores than the *overall* scores for all students in California, as shown in Figure 3. The scale score for Florida's Hispanics is 218, and for all students in California, 209.

Hispanic fourth graders in Florida outscore not only California fourth graders overall, but also the average score for all fourth graders in Alabama, Alaska, Arizona, Arkansas, Hawaii, Louisiana, Mississippi, Nevada, New Mexico, Oklahoma, Oregon, South Carolina, Tennessee, and West Virginia. If Florida can maintain its current momentum, African-American fourth graders in the Sunshine State will have their own long list of states they outperform. As it stands, they already score higher than average for all students in Louisiana and Mississippi, and a single scale-score point now separates them from the average California fourth grader.

FIGURE 3: Trends in Fourth-Grade NAEP Reading Scores:
All California Students Compared to African-American and
Hispanic Florida Students, 1992-2007



SOURCE: AUTHORS' FIGURE BASED ON NAEP PERFORMANCE DATA.

NOTE: NAEP READING ACHIEVEMENT IS SCORED ON A SCALE OF 0 TO 500.

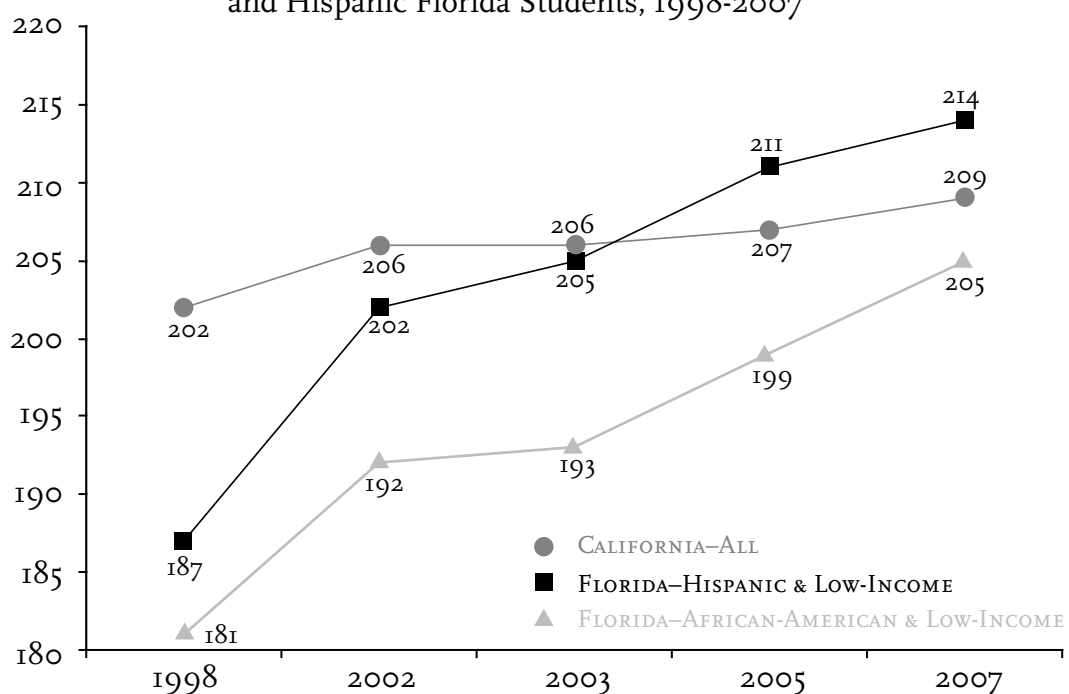
FLORIDA LOW-INCOME HISPANIC STUDENTS OUTPERFORM AVERAGE CALIFORNIA STUDENTS

More incredibly still, Florida's *low-income* Hispanic population outscores the statewide average for all students in California on fourth-grade reading, as demonstrated in Figure 4. The federal definition for low-income students is eligibility for the federal free- or reduced-price lunch program. Nationwide, of all students eligible for the free- and reduced-price lunch program, 80 percent of them come from families with income levels low enough to qualify for free lunches. In 2007, a family of four could earn no more than \$20,650 to qualify for a free lunch or \$38,203 for a reduced-price lunch.²¹ In contrast, median family income in California is \$64,563.²²

Low-income Florida Hispanic fourth graders performed far below California fourth graders only a decade ago, 15 scale-score points. Today, they exceed California fourth-grade reading performance by five scale-score points. Low-income African-American fourth graders in Florida performed even further below California fourth graders 10 years ago but have improved a stunning 24 scale-score points. Now a mere four scale-score points separate them from California fourth graders—a gap they could close in two years at current rates. Figure 4 shows that low-income Hispanic and African-American fourth graders are improving reading performance at rates two and three times faster, respectively, than the average California fourth grader.

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FIGURE 4: Trends in Fourth-Grade NAEP Reading Scores:
All California Students Compared to Low-Income, African-American
and Hispanic Florida Students, 1998-2007



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THE MAGNITUDE OF CALIFORNIA'S PERFORMANCE DEFICIT

In the end, scale scores do not fully capture the now huge differences in performance between Florida and California in fourth-grade reading. NAEP classifies scores into the categories of below basic, basic, proficient, and advanced. On the 2007 fourth-grade reading NAEP, 69.4 percent more California Hispanics scored below basic than their Florida peers, 61 percent in California compared to 36 percent in Florida. The percentage of African Americans failing to master basic fourth-grade reading was 20.8 percent higher than in Florida. The number of Anglo students scoring below basic was 36.8 percent higher in California than in Florida and 85.7 percent higher among California Asian students.

NAEP proficiency results can also be compared by student family income. In California, 51.2 percent more students eligible for the free- or reduced-priced lunch program scored below basic when compared to eligible children in Florida. Among students whose family income was too high to qualify them for a free- or reduced-priced lunch, the percentage scoring below basic in California was 61.1 percent higher than in Florida, 29 percent compared to 18 percent.

In terms of overall student proficiency, 34 percent of Florida students scored proficient on fourth-grade reading and eight percent scored advanced. In comparison, 23 percent of California students scored proficient and five percent scored advanced. This means Florida had 33 percent more students scoring proficient and 37.5 percent scoring advanced than did California.

BIPARTISAN RESISTANCE TO BOTTOM-UP ACCOUNTABILITY IN CALIFORNIA

In November 2007, Jack O’Connell, California’s Superintendent of Public Instruction, hosted a two-day Achievement Gap Summit.²³ Reminiscent of President George W. Bush’s condemnation of the “soft bigotry of low expectations,” O’Connell told participants that “We know every child has the ability to succeed academically, yet so many of our students are struggling in school,” adding that “closing the achievement gap is the civil rights issue of our day.”²⁴ The *San Francisco Chronicle*, however, minced no words about whom it believes Californians should hold accountable for the achievement gap: “The solutions should begin in his own shop,” adding that the real obstacle in California is the political will to change.²⁵

Unlike Florida, which uses tough top-down accountability, California’s system is riddled with statistical shenanigans that mask actual student performance. Richard Rothstein of the Economic Institute explains, “Recently, California tests have become easier to pass, making it seem that students are doing better...When we look at the only meaningful data—average NAEP scores (not percent above so-called “proficiency”)—we find that California’s minority students have slightly lower average scores than the nation’s.”²⁶

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But the fact is that states as
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—Russlynn Ali*

Russlynn Ali, executive director of the Oakland-based Education Trust-West, concurs: “California has long used statistical ‘shells’ to cover up uncomfortable truths about education. When the statistics weren’t enough to hide the shortcoming of our schools, some blamed our ‘diversity.’ But the fact is that states as diverse as California constantly outperform us.” Ali went on to explain,

... California's low-income, Latino and African-American seventh-graders read at about the same level as white and more affluent third-graders. If that's not chilling enough, a closer look at the National Assessment of Educational Progress data shows that we have considerably more work to do because all groups of California students perform below the national averages in reading, math and science. White eighth-graders in Tennessee have stronger reading skills than do those in the Golden State. Eighth-graders in Arizona are outpacing their California counterparts in mathematics. In short, this isn't about "those kids" bringing us down; it's clearly about our approach to schools and education.²⁷

That approach is characterized by what Stanford University researcher call "regulationitis."²⁸ Since 1996, more than 1,100 K-12 education laws—and counting—have been added to the books, swelling the Education Code beyond some 500 chapters and 1,250 articles.²⁹

The state's accountability system also rests on annual schoolwide performance growth targets set so low it will take up to 60 years for the state's worst schools to be performing at the minimum mandated level.³⁰ California's decade-old ban on social promotion is easily circumvented by schools and teachers, who are either hostile to the idea of holding students back or afraid of losing their jobs if they do not pass along unprepared students to the next grades.³¹

The state's accountability system also rests on annual schoolwide performance growth targets set so low it will take up to 60 years for the state's worst schools to be performing at the minimum mandated level.

Similarly, children who do not feel safe and secure in school are unlikely to perform at their full potential. The California Constitution guarantees all students and teachers the "inalienable" right to schools that are "safe, secure and peaceful." Despite that constitutional guarantee, more than nine out of 10 of California students attend public schools with incidents of violence, physical injuries, or weapons. Yet *not one* of California's more than 9,000 public schools has *ever* met the state's definition of "unsafe." Schoolchildren in California are also not permitted to transfer to safer schools unless they become victims of violent crimes.³²

Given such failure to put the basic needs of students first in California, it should come as no surprise that around 60 percent of them have not achieved grade-level proficiency in English or math on the state standards test.³³ Minority schoolchildren in California are especially disadvantaged under the current system, which rations out quality public education according to families' ability to pay for housing. There is no policy justification for this, especially since research finds about 15 percent of the black–white achievement gap is attributable to inequalities in residential mobility.³⁴

Minority schoolchildren in California are especially disadvantaged under the current system, which rations out quality public education according to families' ability to pay for housing.

This year California becomes the first state forced to take action against chronically failing schools in 97 districts under the federal No Child Left Behind Act of 2001 (NCLB). Nearly 1.7 million students are eligible for NCLB proficiency transfers. Yet only 33.4 percent, about 57,000 students, have been able to take advantage of them because high-quality options are in short supply thanks in large part to a state prohibition against out-of-district transfers.³⁵

Instead of lifting the transfer ban or permitting transfers to neighboring private schools to free children from chronically failing schools, Governor Schwarzenegger and Superintendent O'Connell, plan to use what has been called a "sliding scale" of school sanctions. The worst of the identified failing schools face a state takeover or replacing administrators. They will also have to hire external consultants, new principals and staff, as well as replace ineffective teachers.³⁶

While public schools get to slide, California schoolchildren remain stuck in schools that are not working for them. Such an approach is symptomatic of California's top-down, system-centered schooling structure, despite the Governor's declaration that 2008 is "The Year of Education Reform."³⁷ This approach also runs counter to the state superintendent's admission that "we must be willing to rethink the way we deliver education services if our state and nation are to survive, let alone thrive, in this rapidly changing, technology-driven world."³⁸ The California State Assembly is at least making an attempt to put those sentiments into action.

GLIMMERS OF CHANGE IN THE GOLDEN STATE

More parental choice legislation was introduced in California during 2008 than at any point in its history, five bills in all. The state also led the nation, later joined by Virginia, for most parental choice bills introduced this year. The proposed measures would free California children from unsafe schools (AB 2361, Rick Keene, R-Chico) and failing schools (AB 2739, Alan Nakanishi, R-Lodi, and AB 2561, Roger Niello, R-Fair Oaks); while another bill would provide parents of private and home-schooled children with tax credits (AB 2605, Alan Nakanishi, R-Lodi). This fall another proposal will be introduced by current Assemblymember John J. Benoit (R-Riverside) that would let parents of special-needs children choose another school if they wish without having to hire an attorney or jump through endless bureaucratic hoops. The four bills introduced so far were either killed outright in committee or suspended without further action; however, it would be a mistake to think such parental choice programs are destined for partisan defeat.

There are now 24 parental choice programs in 15 states, including Washington, D.C. The number of state legislatures passing parental choice legislation has also nearly tripled in the past five years, from six in 2003 to 16 as of May 2008. In 2006, five Democratic governors signed parental choice programs and expansions into law, and a growing number of Democratic legislators are sponsoring parental choice legislation. In support of one such plan, Maryland State Senator Nathaniel McFadden (D-Baltimore) stated that the state legislature “helps all kinds of industries here with tax credits—big business, horse racing, biotech.... If you call the bill a sham, then I am shamming for children today.”³⁹ Florida was no exception.

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Only one Democrat voted for the “Step Up for Students” tax-credit scholarship program in 2001. Earlier this year, the Florida legislature approved a \$30-million expansion of the program with support from one-third of the Democratic caucus. Unanimous support for the expansion came from the Hispanic caucus. More than half of Florida’s black caucus also supported enlarging the program. Such support is not surprising since close to two-thirds of all scholarships are awarded to African-American and Hispanic students. Thanks to the expansion, 5,000 more scholarships will be available.⁴⁰

Comparisons with states like Florida make it difficult to excuse California public school performance, especially since not one doomsday scenario predicted by status-quo defenders has ever materialized in any state with parental choice programs. There is growing recognition among California legislators in both chambers that absent meaningful parental involvement, which begins with the choice of which school their child attends, the best intentioned reform will likely yield marginal improvement at best. In short, “Significant progress will require fundamental and comprehensive change,” according to the Stanford experts.⁴¹

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CONCLUSION:

THE TIME FOR ACTION IS NOW

Today, California ranks 48th in basic reading and math skills. A challenging student population is a popular scapegoat with state education officials, but the empirical evidence shows that demography is not destiny, in the Southwest or anywhere else.

Florida's reform record provides hope to a nation struggling to improve education and to close racial achievement gaps. Given the proper incentives, public schools can improve. Florida's dual strategy of accountability from both the top down (state testing) and bottom up (parental choice) confirms that disadvantaged children can learn at levels previously thought reserved for the privileged.

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Governor Arnold Schwarzenegger has declared 2008 "The Year of Education Reform," but change will not come about through more regulation or increased spending. To achieve true reform and increase student achievement, the Golden State should emulate the Sunshine State by enforcing academic standards and increasing parental choice.

For reformers across the state facing the daunting task of improving public education, consider the following question: If you were a low-income minority student, would you want to be in a California public school or one in Florida? If you chose Florida, then roll up your sleeves and join the growing ranks of those achieving serious education reform.

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APPENDIX:

SUMMARY OF FLORIDA PARENTAL CHOICE PROGRAMS

A+ OPPORTUNITY SCHOLARSHIP PROGRAM. Enacted in 1999, the A+ Program combines both top-down accountability and bottom-up parental choice. All Florida public school students in grades 3 through 10 must take the Florida Comprehensive Assessment Test (FCAT), the state's accountability test. It is a high-stakes test for both students and schools. To move on to the fourth grade, third graders must pass FCAT reading. Tenth graders must pass the entire test to graduate from high school. Schools are also graded on an 'A' to 'F' scale. Schools that earn an 'F' twice in any four-year period are considered chronically failing, and all enrolled students become eligible for A+ Opportunity Scholarships to attend participating private schools or higher performing public schools with a grade of 'C' or better within or adjacent to their resident districts.⁴²

As of the 2005–06 school year, 734 students used Opportunity Scholarships to attend 57 private schools statewide.⁴³ Minority students represented 96 percent of Opportunity Scholarship recipients, and at least 88 percent of scholarship recipients were low-income students.⁴⁴ Recent empirical analyses found that failing public schools at risk of losing students to private schools under the Opportunity Scholarship Program improved their performance an average of 69 points on Florida's developmental scale.⁴⁵ That finding corroborates previous findings that failing public schools at greatest risk of losing students to private schools improved FCAT math performance by an average of 9.3 scale points and FCAT reading by an average of 10.1 scale points.⁴⁶

Today over 50,000 minority students can read on grade level or higher, who otherwise would not have been able to read based on the 1999 achievement levels.

The Florida Department of Education reports that because of the A+ Opportunity Scholarship Program, "Since 1999, the percentage of fourth-grade African-American students reading at grade level has increased from 23 percent to 56 percent. In terms of the impact on individual students, today over 50,000

minority students can read on grade level or higher, who otherwise would not have been able to read based on the 1999 achievement levels.”⁴⁷

On January 5, 2006, the Florida Supreme Court ruled in *Bush v. Holmes* to exclude the private school option for students in failing schools. In a 5–2 ruling the Court held that inclusion of private schools violated a state constitutional requirement to provide a uniform system of public schooling; however, the Florida Supreme Court allowed the McKay Scholarship Program for disabled students, described below, to continue operating. The ruling took effect at the end of the 2005–06 school year and does not affect the program’s public school option. Students enrolled in private schools using Opportunity Scholarships were awarded Step Up for Students Corporate Tax Credit Scholarships, also described below, so they would not have to return to their failing public schools.⁴⁸

Florida voters may have the opportunity to overturn *Bush v. Holmes* at the ballot box, although legal efforts are underway by the education unions to prevent the vote from occurring in November 2008.

JOHN M. MCKAY SCHOLARSHIP PROGRAM FOR STUDENTS WITH DISABILITIES. Named in honor of its sponsor, then-state-Sen. John McKay, Florida’s scholarship program for students with disabilities was enacted as a pilot effort in Sarasota County in 1999 and capped at five percent of eligible enrollment. The following school year the McKay program was expanded statewide and the enrollment cap was eliminated.⁴⁹

As the father of a special-needs child, McKay was well aware that public schools pay tuition for private schools to educate disabled students they cannot accommodate.⁵⁰ In 2000, Leon County Circuit Court Judge L. Ralph Smith affirmed that, as with current school-district practice, McKay scholarships for private schools do not violate the state constitution “because they provide specialized services to some of Florida’s students who cannot readily be served in the system of free public schools.”⁵¹

McKay knew firsthand the bureaucratic and financial barriers that prevent many parents—especially ones who are not affluent—from pursuing private placements when school districts are not amenable. Leveling the playing field

for all families was therefore a primary concern for him. “I grew up in a small town,” explains McKay, recalling a conversation with Florida’s education commissioner, “I told him, ‘Look at what happens when parents come in with a lawyer who can quote the case law. The state ends up paying for non-public placement.’ We were doing a great job of empowering the powerful. My question was: What about the rest of parents?”⁵²

Since the 2000–01 school year, student participation has swelled nearly 20-fold, from 970 to 18,919 in the 2007–08 school year. Over the same period, private school participation has increased from 100 to 824 schools.

Under the McKay Scholarship Program any disabled student whose parents are dissatisfied with their child’s academic progress in his or her assigned public school are eligible for a McKay scholarship to send their child to another public school or a private school. Since the 2000–01 school year, student participation has swelled nearly 20-fold, from 970 to 18,919 in the 2007–08 school year. Over the same period, private school participation has increased from 100 to 824 schools.⁵³

Scholarships are worth what public schools would have spent on participating students, but they cannot exceed the cost of participating private schools’ tuition and fees. McKay scholarship amounts vary depending on the severity of the child’s disability, between \$5,000 and \$22,000 during the 2006–07 school year, and parents may supplement the scholarship with their own funds.

All students who have Individualized Education Plans (IEPs) covered under the federal disability-rights law and who have been enrolled in a public school for at least one year are eligible. About five percent of eligible students, 370,000 in all, are participating in the program. Students from military families from other states or countries may also be eligible for McKay scholarships. Participating schools must hire teachers who have a bachelor’s degree, three years of experience, or special qualifications. The schools must demonstrate fiscal soundness, comply with anti-discrimination laws, and meet health and safety codes. Participating schools are not required to accept students with disabilities they are not equipped to serve. The Florida Department of Education

publishes quarterly reports on the program, and schools are required to report regularly to parents on their child's academic progress.

An independent evaluation of the program found that educational environments for participating students are significantly better at their chosen McKay schools compared to their previous assigned schools. Among participating students, nearly half (47 percent) were often bothered and one quarter were physically assaulted at their previous public schools because of their disabilities, compared to five percent being bothered often and six percent being assaulted in their McKay schools.

Parents are also more satisfied with their children's McKay schools: 93 percent of participating parents are satisfied with their chosen McKay schools, compared to only 33 percent of parents in assigned schools. Fully 86 percent of participating parents report their McKay schools deliver all the services they promised to provide, while only 30 percent of those parents said they received all services required under federal law from their previous assigned schools. In fact, even parents who left the program highly recommend it. More than 90 percent of former McKay participants said the program should continue to be available for those who wish to use it.⁵⁴

The first quantitative analysis of the McKay program's effect on non-participating public-school special-education student achievement found it significantly improved their education. Students with Specific Learning Disabilities (SLDs), representing about 61 percent of all disabilities, made significantly greater improvements on the Florida's standardized math and reading exams than they would have if the program did not exist. Average SLD students who remained in the public school system made an additional improvement in math and reading of 0.05 and 0.07 standard deviation, respectively, than they would have made absent the McKay program. There was no effect on students with more severe disabilities.⁵⁵

The McKay Scholarship Program has inspired the implementation of similar special-needs scholarship programs in Ohio, Utah, Georgia, and Arizona. Legislation to implement similar programs has also been introduced in eight more states during the 2007–08 session, including California.⁵⁶

STEP UP FOR STUDENTS CORPORATE TAX-CREDIT SCHOLARSHIP PROGRAM. Enacted in 2001, Florida's Corporate Tax-Credit Scholarship Program allows businesses to contribute to non-profit, charitable 501 (c)(3) Scholarship Funding Organizations (SFOs) that award scholarships to children from low-income families. Business donors receive a dollar-for-dollar tax credit up to 75 percent of their state corporate income tax liability. The state awards a maximum of \$88 million in credits each year.⁵⁷ In 2006, the Florida Legislature increased the maximum scholarship amount from \$3,500 to \$3,750, which can be used for private school tuition, books, and transportation. Scholarships worth up to \$500 are also awarded to assist low-income families with transportation costs of attending a public school in an adjacent district.

Students must be enrolled in public school or about to enter kindergarten or first grade to be eligible. Students who previously participated in Florida's A+ Opportunity Scholarship Program, described below, are also eligible. Since the 2002–03 school year, student participation has increased 20 percent, from 15,585 to 19,416 students during the 2007–08 school year, and there are more than 900 private participating schools. Eligible students must qualify for the federal free- and reduced-price lunch program, or have household incomes at 185 percent of the federal poverty level, which amounts to \$39,220 or less in 2008 for a family of four. If students' household income rises, they remain eligible up through 200 percent of the poverty level, or \$49,600 for a family of four.⁵⁸ The typical corporate tax-credit scholarship family has an average income of \$23,347.⁵⁹

SFOs must be incorporated in Florida and distribute 100 percent of tax-credit donations as scholarships in the same year they are received. Administrative costs must be paid separately. SFOs must also undergo annual audits by an outside accountant, and they may not direct a donor's contribution to support that donor's child. Participating private schools must complete a five-page notarized questionnaire covering issues such as the number of teachers and food-safety inspections. They must also administer a norm-referenced test to participating students.

In its initial 2002 fiscal analysis, the Collins Center for Public Policy concluded slight declines in up-front state tax collections would be more than offset by

the savings from low-income public school students transferring to less expensive private schools. The Center projected that “the increases in statewide net revenues could accumulate to more than \$600 million over the next 10 years as low-income students leave public schools to participate in the scholarship program.”⁶⁰ In its 2007 analysis, the Collins Center concluded:

The Corporate Income Tax Credit Scholarship Program did not have a negative impact upon K–12 General Fund Revenues for public education. In fact, K–12 General Fund revenues increased over \$2 billion during a three-year period while the state accrued \$139.8 million in actual revenues by saving the difference between the value of the \$3,500 scholarship and the value of K–12 per-pupil revenue.⁶¹

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Endnotes

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