S. HRG. 108–815

PELL GRANTS FOR KIDS: IT WORKED FOR COLLEGES. WHY NOT K–12?

HEARING

BEFORE THE

SUBCOMMITTEE ON CHILDREN AND FAMILIES

OF THE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS
UNITED STATES SENATE

ONE HUNDRED EIGHTH CONGRESS

SECOND SESSION

ON

EXAMINING THE USE OF PELL GRANTS FOR PRIMARY SCHOOL EDUCATION, FOCUSING ON SCHOOL CHOICE AND VOUCHER PROGRAMS

JULY 15, 2004

Printed for the use of the Committee on Health, Education, Labor, and Pensions

U.S. GOVERNMENT PRINTING OFFICE

94–993 PDF WASHINGTON : 2005

For sale by the Superintendent of Documents, U.S. Government Printing Office
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PELL GRANTS FOR KIDS: IT WORKED FOR COLLEGES. WHY NOT K–12?

THURSDAY, JULY 15, 2004

U.S. SENATE,
SUBCOMMITTEE ON CHILDREN AND FAMILIES,
COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:02 a.m. in room SD–430, Dirksen Senate Office Building, Hon. Lamar Alexander, presiding.

Present: Senators Alexander, Dodd, and Reed.

Senator ALEXANDER. Good morning. I call this subcommittee on Children and Families hearing to order.

Today, we are going to talk about Pell Grants for Kids, the idea of giving $500 Federal to every middle- and low-income child in America which would then follow that child to the school or other approved academic program of the parents' choice. It is a new idea for Federal funding of local schools, but it is an old idea in the United States of America because it has been discussed so much and used in higher education since 1944.

We have a distinguished group of panelists, two panels actually. We have a number of interested Senators. Senator Reed is here. Senator Dodd may be coming. Others may come and go. This is a very busy day in the United States Senate.

So when the Senators are able to come, what I will do is interrupt the hearing and ask them to make their statements and then let them stay for as long as they can. I hope the witnesses will understand. And then I will ask the two panels of witnesses to read their statements. I have read them all, and we will be a glad to accept any additions to those statements that you have for the next week. What I will try to do is take about an hour for each panel and ask each of the witnesses to try to summarize your remarks in 5 minutes, and that will give the Senators a chance to ask you questions and produce a better discussion for the record.

There is no legislation before us today. What I have done is made a proposal. I have sent to each of you, and to my colleagues in the Senate, a summary of that proposal. I have outlined the proposal in an article in *Education Next*, which is published by Harvard, and Stanford, and other institutions, and there are a series of questions and answers that my colleagues have and that will be made a part of the record.

I hope that over the next 6 months, Democratic and Republican colleagues and any interested person will give his or her ideas about how best to do this and that we will have a piece of legisla-

tion ready for the next Congress when it convenes in January. Basically what I am trying to do is to ask for your help in answering this question: Is there anything we can learn from how the Federal Government funds higher education that we might apply to kindergarten through the 12th grade?

Now I would like to make a brief statement and introduce a few things for the record and then I will call on Senator Reed. Do you have enough time for that, Senator Reed?

Senator REED. Yes, sir, I do. Thank you, Mr. Chairman.

Senator ALEXANDER. Okay. And then we will go on to the witnesses.

OPENING STATEMENT OF SENATOR ALEXANDER

Senator ALEXANDER. The question that has often occurred to me is that if we have the best colleges, why don't we have the best schools? I believe that one reason is because of the different way we spend Federal dollars on colleges. We spend Federal dollars for colleges one way and we spend Federal dollars for schools another way. Federal funding for colleges follows students. This year, $14 billion in what we call Pell Grants, named after the former Senator from Rhode Island, and in work study and $52 billion in Federal student loans follow about 60 percent of American college students to the institution of their choice. So in Tennessee and Rhode Island, 60 percent of the college students have a Federal grant or a loan that follows them to the college or other academic institution of their choice. As a result, colleges compete for students just as they do for research dollars and faculty. When I was president of the University of Tennessee, I knew that those Pell Grants and those student loans could go to Maryville College or to Knoxville College or to Vanderbuilt University or wherever else. We competed for those students.

This method of Federal funding for college students began with the GI Bill for veterans in 1944. We recently celebrated the 60th anniversary of the invasion of Normandy. Well, it is also the 60th anniversary of the Servicemen's Readjustment Act of 1944 which was then called the GI Bill of Rights. After the GI Bill of Rights, which gave, among other things, to returning veterans tuition and room and board that they could spend at any educational institution of their choice, the Federal Government followed that formula and created what we call Pell Grants and Stafford Loans and other forms of Federal assistance.

Rarely has the taxpayer gotten so much bang for the buck. These Federal vouchers—and that is what they are, Federal vouchers—have made it possible for a greater percentage of Americans to continue into higher education than in any other country. Competition for these students and faculty and $19 billion a year in Federal research dollars is the major reason, I believe, why Shanghai University's recent list of the hundred best colleges and universities in the world included 81 from the United States. So not only does the United States have among the best colleges and universities in the world, it has almost all of the best colleges and universities in the world. A major concern for Europe is not job outsourcing, but brain outsourcing as Europeans, and then in other parts of the world,

people come to the United States to go to our colleges and universities.

Now, that is Federal funding for colleges. It has followed the students to the college of their choice. It does not go to the university. It goes to the student. Now compare that with Federal funding for elementary and secondary education, which has taken just the opposite approach. Federal funding for elementary and secondary education did not really begin in a significant way until the mid-1960s, and as a percent of the total, it is not very much today. We spend about $7,500 per student in the United States, more or less, on each elementary and secondary student and about 7 or 8 percent of that comes from the Federal Government, and many school officials complain they get more rules from us than dollars.

So we spend maybe $650 or $700 per student of Federal dollars, but we do not give those dollars to the students to then go to the institution of their choice. Instead, we give those dollars—$35 billion of those dollars this year—directly to the schools or to the States who then give them to the schools. And as mentioned, along with these dollars come plenty of Federal and State regulations.

Measured by student learning, we have not been as successful with K through 12 in this country as we have been with our colleges and universities. In 1999, 8th grade students were ranked 19th in math and 18th in science among 38 industrialized countries. I believe one reason we continue to be disappointed by our schools is because Federal dollars do not encourage the same kind of competition for students that we have in colleges and Federal regulations smother the autonomy and independence of individual schools.

So why not try in our schools what has worked so successfully in our colleges? If we have in our colleges the GI Bill, the Pell Grants, the Stafford Loans, and many people think it is the most successful social legislation we have ever had, why not try something like Pell Grants for Kids? That is why I propose an annual $500 scholarship that would follow every middle- or low-income child in America to the school or other approved academic program of his or parents' choice. Parents could use these Pell Grants to help their schools pay for more English teachers, more art programs, after-school math sessions, or parents could purchase such lessons or other services that schools do not provide. It would be up to the parents how to spend that $500.

Pell Grants for Kids could do the following things: One, provide more Federal dollars for schools with fewer Federal strings; two, help pay for the requirements of No Child Left Behind. In the testimony of at least one witness, maybe more, you have pointed out that No Child Left Behind adds some cost to local school districts. This would be new Federal dollars that follow middle- and low-income children to schools which could help pay for some of those costs. It would reduce school-by-school inequity in funding. I am not one of those who thinks that every school has too much money. I know lots of schools who have too little money. In Bryan, Texas, which is next to College Station, you have the example of College Station where all the Texas A&M professors are. Well, their average property value is about $300,000, and across the tracks in Bryan, it is about $100,000. So the schools in College Station have

a lot more money to spend than the schools in Bryan, and that is not likely to change because the State of Texas is struggling with its tax base. Property taxes are already high, and the Federal Government only supplies about 7 percent of the money for K through 12. So this could help with that inequity because it goes to the children who are from the poorest families.

Pell Grants for Kids could avoid increased Federal regulation of schools as Federal funding inevitably increases. Every time we increase Federal funding for K–12 schools, we add to the regulatory burden of schools because of the way we do it.

Finally, Pell Grants for Kids would give parents more say and more choice in the education of their children. Since about 60 percent of all children under my proposal would be eligible for Pell Grants, this could mean an infusion of quite a large amount of unrestricted dollars. For example, in a middle school of 600, if 400 students were eligible, that would be $200,000 a year in new dollars that would allow the school to add teachers, classes, or programs, or which the parents could use to buy services from other providers if the school did not offer it.

I suggest that we fund Pell Grants for Kids gradually over time, grade by grade, only with new Federal dollars. No program needs to be cut. When Congress substantially increases the amount of money for Title I, for example, instead of giving it directly to the schools, let parents decide how to spend it. A new appropriation of $2.5 billion, for example, would provide enough money for every middle- and low-income kindergarten and first grade student to receive a $500 scholarship. We can afford to do that.

This idea has a long bipartisan history. I have mentioned Senator Pell's work in what we now call in higher education the Pell Grant. That may or may not be what it should be called in K through 12, but it has been there in higher education for some time. In 1979, Democratic Senators Pat Moynihan and Abe Ribicoff introduced legislation that would have made elementary and secondary students eligible for Pell Grants. In 1992, when I was the U.S. Education Secretary, President George H.W. Bush proposed a so-called GI Bill for Kids which would have provided $1,000 scholarships in a pilot program under similar guidelines.

So today's hearing is about how to write legislation that would establish for students in elementary and secondary schools the same kind of Federal scholarships that college students have had since the end of World War II. This fall, I hope to work with members of this subcommittee and colleagues and people around the country who are interested in doing this. I am well aware that there are many, maybe on my side of the aisle, who do not favor more Federal spending for local schools. I am well aware that there are many on the other side of the aisle who are put off by the idea of vouchers. But what I would like to say to each side is I can think of no more important priority for our Nation than quality schools. We need to figure out a fair way of funding them from Washington, D.C. without overwhelming them with regulations, and giving parents more choices.

And I would say to my friends on the other side of the aisle who are worried about vouchers that we have got 60 years of experience with vouchers, with Pell Grants, with student loans, now with $8

billion a year of child care certificates, and at least in the case of colleges and universities, these vouchers have helped public colleges and universities and helped create the greatest generation of Americans.

I would like to ask consent to include at the appropriate place in the record the following items, and then I will turn to Senator Reed. One is an article by Milton Greenberg, well known in education, about how the GI Bill changed education. It was in the "Chronicle", and it goes through—and I will talk more about this during the hearing—the decision that the Nation made two or three times over the last 60 years to give Federal dollars for higher education, not to the colleges, but to the students who then chose the colleges.

[The information follows:]

HOW THE GI BILL CHANGED HIGHER EDUCATION

BY MILTON GREENBERG

This year of special remembrance and celebration of World War II holds special meaning for higher education—it is also the 60th anniversary of the passage of the GI Bill. Its passage in June 1944 was largely unheralded (the Normandy invasion was in full swing), and its consequences totally unforeseen. Nevertheless, the Bill almost instantly changed the social landscape of America.

Contemporary political leaders periodically call for a new GI Bill, using the name as a synonym for some vague general aid to education and to convey a concept of universal access to higher education. That was the effect but not the intent of the GI Bill. It was conceived as a partial solution to potential postwar chaos and as a reward for military service. The latter purpose has lived on in subsequent, though less generous, versions for Korean War and Vietnam War veterans and now as an enlistment incentive for all volunteer military personnel under the Montgomery GI Bill.

Nor was its passage through Congress unmarked by controversy. Many leading academics of the time expressed concern that the GI Bill was a threat to academic quality, and they sought to control and circumscribe eligibility. While most of those academics eventually acknowledged the high quality motivation of veteran students, the immediate impact of older and middle- and lower-class students enrolling at colleges and universities altered prewar perceptions of higher education, giving rise to today's continuing issues of mission, access, diversity, and financing.

The Servicemen's Readjustment Act of 1944, brilliantly labeled the GI Bill of Rights, was a response to the prospective return to civilian life of more than 15 million servicemen and about 350,000 women. Four years of World War II preceded by 11 years of the Great Depression, left the nation, especially those in the veterans' age group, largely uneducated, lacking in work experience, and living in substandard and overcrowded dwellings. At the war's end, the nation faced a massive demobilization of both the military and the domestic wartime economy, with attendant dislocation of human and social capital. Political leaders genuinely feared the chaotic and revolutionary conditions that characterized the decades of the 1920s and 1930s after World War I. It is out of that history that the GI Bill was born. The disastrous prewar conditions, the war's brutality, and postwar fears are often forgotten or cloaked by the glamorous myth of World War II as "the last great war" and its veterans as "the greatest generation."

The GI Bill provided three extraordinary benefits. The only requirements were military service for at least 90 days and an honorable discharge. No means test, no tax credits, and minimal red tape were required to receive an unemployment allowance of $20 per week for up to 52 weeks (the so-called 52—0 Club); loan guarantees for the purchase of a home, a farm, or a business; and educational opportunities—collegiate, vocational, or on-the-job apprenticeships—with tuition, fees, and books paid for, and supporting stipends for living expenses provided, for up to 48 months depending upon length of service.

The 52–20 Club, feared by some to be a boondoggle, was used by less than 57 percent of the 16 million eligible, in most cases for just a few weeks, resulting in an expenditure of only 20 percent of the projected total costs (kudos for the greatest generation for not taking advantage of a free year on what was at that time a lot of money).

The postwar housing crisis was severe, a result of 15 years of depression, war, neglect, and shortages of supplies. The housing crisis was not met by construction of government housing projects. Instead, a guaranteed-loan program stimulated massive building and purchase of homes, farms, and small businesses. That initiated an amazing change in the American physical and social landscape and stimulated demand for every conceivable consumer good, including education and training. Suburbs grew overnight along with roads, schools, churches, and shopping centers.

Under the education provisions, 2.2 million veterans attended 2- and 4-year colleges and universities. Even more veterans—3.5 million—used opportunities at vocational schools. An additional 1.5 million were involved in on-the-job training, and about 700,000 used their benefits for farm training. Veterans chose any school or training program to which they could gain admission.

The Veterans Administration (now the Veterans Affairs Department) administered the education program, not the U.S. Office of Education, the education bureaucracies in the States, or the universities and colleges themselves. The higher-education associations sought to have the funds sent to and administered through the colleges, but Congress, to the consternation of the education establishment, deliberately chose the VA, which certified eligibility, paid the bills to the college, and mailed a stipend to the veteran. That was it.

The GI Bill is mainly identified with higher education and with images of a new American campus life. Before World War II, most colleges were characteristically rural, private, small, elitist, white, and Protestant, and married students were generally excluded. Public institutions were not too dissimilar. In 1940, about 1.5 million students were enrolled at all colleges and universities, and less than 200,000 earned college degrees. In 1950, about 2.7 million enrollments resulted in nearly 500,000 college degrees awarded by both private and public institutions to students of varied religions and races, most in their mid- to late 20s. About half of the veteran students were married, and 25 percent had children.

In 1947, veterans accounted for 49 percent of enrollments, nearly half of whom had enrolled at just 38 colleges and universities, including the notable private institutions. College life was marked by extraordinary crowding of classrooms and living space, and the accomplishment of campus leaders in meeting the crisis is noteworthy. Indiana University, for example, ballooned from about 3,000 students in 1944 to over 10,000 in 1946, and its campus "had the general appearance of a vast shipyard in full operation," according to Thomas D. Clark, the author of a history of the university.

It is estimated that of the 2.2 million who went to college, about 1.75 million would have attended anyway, based on prewar data. Hence fewer than 500,000 who would otherwise not have gone accepted the opportunity.

To some these numbers may appear small, but before WWII, most people had not gone beyond elementary or secondary school; a high-school diploma was a rare achievement, earned by less than 25 percent of the population. Almost all forecasts logically pointed to the likelihood of a very modest enrollment response. After all, higher education was not only limited and elitist, it was notoriously discriminatory with respect to race, sex, and religion. Before WWII only one adult in 16 had a college education. Frank T. Hines, the first VA administrator, calculated that about 700,000 veterans would attend college by the time eligibility under the law expired in 1956.

Irrespective of the number of veteran students who took advantage of it, the GI Bill has influenced higher education to this day in often unexpected ways. For example, one can assume that the initial wave of GIs on campuses presumed that they would acquire the education previously available to the elite. Once exposed to the classroom, older, experienced, impatient veteran students pressed for more practical applications of their learning and preparation for work. That was accompanied by a decline of the liberal arts in favor of occupational and technical education, especially in engineering and business. Upward mobility, rather than certification of the upper classes, marked American higher education thereafter.

Consider, too, the baby-boom generation, the progeny of WWII veterans (about 600,000 more babies were born in 1946 than in 1945), who became the college students of the notorious 1960s and 1970s. Campus enrollments soared and along with them a need for huge public investment in the development and expansion of colleges and universities as well as community colleges.

Today more than 16 million people are enrolled in higher education, more than a third of whom are in community colleges. About 1.1 million earn bachelor's degrees each year, and an equal number earn associate, graduate, and professional degrees. By the early 1980s, one in five Americans had a college education, a proportion that has remained virtually unchanged.

It is appropriate to ascribe this growth to the major legacy of the GI Bill: the opening of the academy to all classes of people and turning what had been a limited privilege to a generalized public expectation. If there is a negative side to the story, it may simply be that, prompted by the GI Bill, higher education became a hot commodity without much agreement on just what the commodity was and covering almost any form of postsecondary education or training.

It is mistakenly presumed that the GI Bill gave instant rise to the movement of what became known as adult education, lifelong learning, and similar terms including the unfortunate "non-traditional student." We made the extraordinary discovery that "older" people (presumably over 25) could learn. But the fact is that several years passed after the WWII GIs left and adults returned to school. The lapse is undoubtedly due to the excellent availability of jobs in the expanding postwar economy, homeownership spurred by the veterans' home loans, the high birthrate of the 1950s, and strong cultural support for family life in suburbia that marked the postwar period.

Currently, almost 40 percent of higher-education enrollment comprises students over 25, many in graduate programs, many in community colleges or in continuing-education or part-time programs. That the return of older students is still treated as somewhat strange, "non-traditional," and a special burden, separate from traditional full-time undergraduates, shows some disconnect with the supposed lesson of the GI Bill. As a matter of public policy, there is little encouragement for adult students in the way of financial aid or other considerations.

Among the more socially significant revolutions wrought by the GI Bill was the impact upon discriminatory practices. Blacks and Jews in particular were able to use the GI Bill to break barriers to their participation in higher education. Historically black institutions experienced sharp increases in enrollments and were granted Federal funds for expansion of campus construction. Black veterans in Northern urban areas attended formerly all-white institutions. The development of a black middle class is a highlight of that generation.

Nevertheless the opportunities afforded blacks were not equal. It is important to recall that the military was racially segregated until 1948 and that *Brown* v. *Board of Education* was still years away, as was integration of Southern colleges. In addition, the postwar housing boom was carried out under policies of racial segregation and discrimination, North and South. We are left now to lament our failure to use the GI Bill more effectively on behalf of African-American veterans, and the continuing disappointing history of black enrollment in colleges and universities.

Jewish veterans gained entry into elite colleges then known as bastions of anti-Semitism and benefited from the growth of public institutions in urban areas. The GI Bill moved the children of European immigrants, including Catholics, into academe, business, and the professions, and essentially eliminated religious bigotry in American higher education.

Women were nearly invisible during those halcyon postwar years. The progress made by women who entered the work force as well as the military during the war was interrupted during the postwar years. Less than 3 percent of veterans (about 64,000) who attended college under the GI Bill were women. Preferences for male veterans in education, coupled with the crisis in classroom and residential space, negatively affected women's enrollment in most schools. Many women's colleges enrolled men for the first time.

With the enormous birth rate and the development of homeownership and new communities, it was presumed that women would and should return to home care and child rearing, which many of that generation did. When their children grew, many did return to college, but it was their daughters who formed the base of the women's-liberation movement during the 1970s and 1980s. Today women dominate the college scene and are prominent in major professional schools. The present status of women in higher education can be traced to the GI Bill by linking the higher-education success of the fathers and grandfathers to that of contemporary young women.

The decision by Congress to finance the GI Bill through the students themselves rather than through government bureaucracies or higher-education institutions was a crucial and lasting one. It was a centralized entitlement-and-voucher program that was based on a decentralized market approach, irrespective of financial need or previous educational status. It preserved the idea of avoiding Federal control over education and established the basic method for subsequent, although less generous, veterans' education benefits and for Federal loans and grants to college students. There is now serious thought being given (and enacted in Colorado) to direct financing by States of individual college students rather than through institutions and letting the marketplace determine the purposes for which the funds are spent. Numerous State and Federal programs, such as AmeriCorps, use GI Bill-like incentives to encourage

public-service activities or careers in teaching or medicine for the price of college tuition benefits or student-loan forgiveness.

Those of us who are WWII veterans were privileged to be afforded an extraordinarily generous opportunity to get an education, develop a career, enrich our lives, and contribute to society. In contemporary terms, the GI Bill may appear to have been a huge welfare program, but it would be wrong to treat it as such. It was a special law for a very special time, made available only to veterans and unrelated to need. The government provided the incentive and made the money available, but the individual decided not only how and where to use it but whether to use it at all.

Nevertheless, the major legacy of the GI Bill is the idea that, given the opportunity, any person can undertake higher education for both personal and societal benefit. Links to the GI Bill of Rights can be found in the numerous national and State programs that encourage access to higher education with grants, scholarships, and loans. The issue now is not whether we should support that legacy but rather for whom and at what cost it should be provided. Absent now, happily, are the desperate social conditions that evolved from the Great Depression and WWII. But the real differences now lie in the vast competition for available public funds and the lost shared sense of great national purpose which marked post-World War II America.

Senator ALEXANDER. I would like to also include the question and answer that I have written describing the proposed Pell Grants for Kids upon which I would hope to base legislation.

[The information follows:]

PELL GRANTS FOR KIDS Q&A

BY SENATOR ALEXANDER

What is it? An annual $500 Federal scholarship that would follow every middle- and low-income child in America to the school or other approved academic program of his or her parents' choice.

Who is eligible? About 30 million or 60 percent of school age children—all those who attend kindergarten through the twelfth grade and who come from families whose income is below the State median family income. As an example, the national median family income for a family of four is $63,278.

Why call it Pell Grant? Because its model is the Pell Grant for college students, the Federal scholarship program that has helped make American colleges the best in the world. This year $13 billion in Pell grants and work-study and $42 billion in Federal student loans follow about 60 percent of American college students to the institutions of their choice.

Why do it? (1) To use the same idea that helped create the best colleges—letting money follow students to institutions of their choice—to help create the best schools; (2) To reduce inequality in educational opportunity by giving middle- and low-income children more of the same opportunities that wealthier families already have; (3) to provide more Federal funds with fewer Federal strings and more local control that may be used to implement the requirements of No Child Left Behind.

Why focus on middle- and low-income? Between 1996 and 2000, poor students fell further behind their wealthier peers in seven out of nine key indicators—including reading, math and science. This especially affects minority children. By the 12th grade, only one in six black students and one in five Hispanic students are reading at their grade level.

How does it work? By June 1 of each year, parents would sign up to spend their child's $500 with a lawfully operating public, charter, or accredited private elementary and secondary school or other approved academic program of their choice. On August 1, the U.S. Department of Education would transfer funds to the schools or academic programs for use during the coming school year.

How would families apply? By using the one page form now used to apply for reduced and free lunches at school. Those already eligible for free lunches would be automatically eligible for Pell Grants for Kids, reducing paperwork.

How is it funded? With all new Federal money. No program would be cut. Congress would substantially increase the amount of money it now spends for Title I ($12.3 billion this year), and use that new funding to create Pell Grants for Kids.

What happens to the $12.3 billion now being appropriated for Title I? It continues to be appropriated and spent the way it is now.

Is this a new entitlement program? No. Congress would appropriate each year what it could afford.

How would this affect programs for children with disabilities? Not at all. Congress would continue to provide increases for programs for children with disabilities.

So, what would Pell Grants for Kids cost in the first year? In the first year, Congress would appropriate $2.5 billion new dollars for Pell Grants for Kids, enough to provide every kindergartener and first grader with a $500 scholarship. Title I would continue at $12.3 billion. Other education programs would increase, as Congress deems appropriate.

How long will it take to fully fund Grants in all grades? In his first 4 years, President George W. Bush asked for $4 billion new dollars for Title I, which would have been enough to create Pell Grants for kindergarten through the third grade. Since President George H.W. Bush left office in 1992, Congress has appropriated $10 billion new dollars for K–12 (excluding funding for children with disabilities), enough to provide scholarships for kindergarten though eighth grade.

What is the cost of full funding? It would cost $15 billion per year to provide scholarships to every one of the 30 million middle- and low-income K–12 students in America today.

What is an approved academic program? Programs which States have approved for supplementary education services under No Child Left Behind.

Are home-schoolers eligible? Yes, as long as the money is spent for approved academic services.

Is $500 enough to create real choices? 500 parents at a middle school each armed with $500 should be able to command the schools attention. With that $250,000 the school could provide new English teachers, after school programs, advanced math programs or fix the roof. Or the parent may use the money at another approved academic program for English or music lessons or after school care. At Puente Learning Center in South Los Angles, Sister Jennie Lechtenberg teaches students of all ages English and clerical skills at an average cost of $500 per year.

Isn't this a voucher? Yes. But the GI Bill for Veterans, Pell grants and student loans for college students are all vouchers. So are the $8 billion in day care certificates that Congress provides to millions of mothers this year, all of whom may choose their child care facilities. These vouchers are enormously successful. There is every reason to believe the Pell Grants for Kids would be too.

Why not just give the new Title I money directly to schools? We've tried that, but our schools are not as good as they need to be. Now we want to transform the way we spend Federal dollars for schools, by spending more in the same way we spend it for colleges—by giving consumers choices.

Won't this hurt public schools? Pell grants for colleges helped make our system of higher education the best in the world; Pell grants for kids should do the same for schools by providing new money for programs and involving parents more. Eighty percent of Pell grants for college students are spent at public institutions. Most Pell Grants for Kids monies are likely to be spent at public schools.

Is this a Republican or a Democrat idea? It is both. In 1979, Democratic Senators Pat Moynihan and Abe Ribicoff introduced legislation that would make elementary and secondary school children eligible for "Pell Grants" that were then available to college students. In 1992, Republican President George H.W. Bush proposed the "GI Bill for Kids," a pilot program that would have funded $1,000 scholarships that would follow 500,000 middle and low-income children to schools or other accredited academic programs of their choice. Both Democrats and Republicans have supported Pell Grants, guaranteed student loans, and day care certificates—all of which are Federal vouchers that follow students to the institutions they or their parents' choose.

Senator ALEXANDER. Next, I would like to include the article from "Education Next" which describes the proposal in more detail.

[The information follows:]

EDUCATION NEXT: A Journal of Opinion and Research

Putting Parents in Charge

by LAMAR ALEXANDER

In 1990, as the new president of the University of Tennessee, I was trying to understand what had made American colleges and universities the best in the world. I asked David Gardner, then the president of the University of California, why his university has such a tradition of excellence. "First," he said, "autonomy. The California constitution created four branches of government, with the university being the fourth. The legislature basically turns over money to us without many rules about how to spend it.

"The second is excellence. We were fortunate, at our beginning, to have a corps of faculty dedicated to high standards. That tradition has continued. And third, generous amounts of federal—and state—money have followed students to the schools of their choice. That has increased opportunity for those who couldn't afford college, created choices that make good fits between the student and the school, and stimulated competition that encouraged excellent programs."

Autonomy. High standards. Government dollars following students to the schools of their choice. That was the formula for the GI Bill, passed by Congress in 1944. The program gave World War II veterans scholarships redeemable at any accredited institution, public or private. Those veterans who didn't hold a diploma could even use the scholarships at Catholic high schools. With these scholarships came few federal rules, thus preserving the universities' autonomy. And by allowing students to choose their college, the GI Bill encouraged excellence and discouraged weak programs.

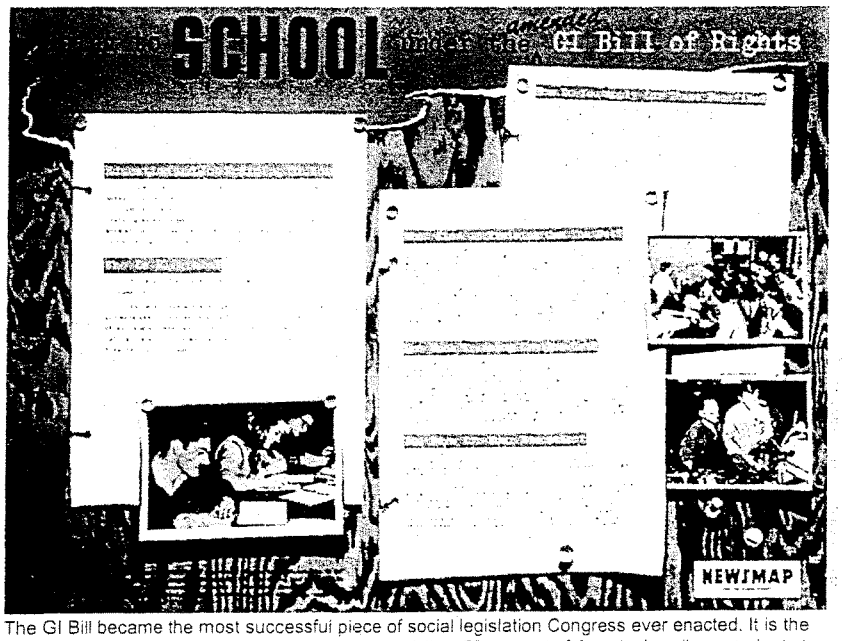
Not all university leaders welcomed the program. "It will create a hobo's jungle," warned legendary University of Chicago president Robert Hutchins. Instead, the GI Bill became the most successful piece of social legislation Congress ever enacted. It became the model for the federal grants and loans that today follow 58 percent of America's college students to the schools of their choice. In 1972, when Congress debated whether future federal funding for higher education should go directly to institutions or be channeled through students, the model of the GI Bill helped carry the day for the latter approach, which was surely the right

one. Pell Grants (named for Sen. Claiborne Pell, D-R.I.), Stafford Loans, and other forms of financial assistance to students followed. This year the federal government will spend nearly $17 billion on grants and work-study programs and will provide an additional $52 billion in student loans.

Rarely has the federal taxpayer gotten so much bang for the buck. These federal vouchers trained the "greatest generation" and made it possible for a greater percentage of Americans to continue into higher education than in any other country. At the time of the GI Bill's passage in 1944, only about 6 percent of Americans held a four-year college degree. Today that figure stands at 26 percent.

Moreover, these scholarships have strengthened public institutions. At the end of World War II, 50 percent of American college students were attending public institutions. Today 76 percent choose to attend public colleges and universities. So many foreign students want to attend American universities that some institutions impose caps in order to make room for lower-achieving homegrown students. British prime minister Tony Blair is overhauling his nation's system of higher education because he sees a growing gap between the quality of American and British universities. Likewise, former Brazilian president Fernando Henrique Cardoso recently told a small group of U.S. senators that the most important thing he would remember about his residency at the Library of Congress is "the uniqueness, strength, and autonomy of the American university."

Meanwhile, federal support for elementary and secondary education has taken just the opposite approach—with opposite results. Instead of allowing tax dollars to follow students to the schools of their parents' choice, the federal government gives $35 billion directly to the schools themselves (or to the states, which then give it to schools). In addition, thousands of pages of federal and state regulations govern how these funds are spent, thereby diminishing each school's autonomy. Measured by student learning, rarely has the taxpayer gotten so little bang for so many bucks. In 1999, 8th-grade students in this country were ranked 19th in math and 18th in science compared with 38 other industrialized nations. The National Assessment of Educational Progress, known as the nation's report card, shows other alarming trends. For example, between 1996 and 2000, the gap between affluent and poorer U.S. students actually widened in seven out of nine key indicators—like reading, math, and science. Two out of every three African-American and Hispanic 4th graders could barely read. Seventy percent of children in high-poverty schools scored below even the most basic level of reading.



The GI Bill became the most successful piece of social legislation Congress ever enacted. It is the model for the federal grants and loans that today follow 58 percent of America's college students to the schools of their choice.

Enhancing Local Control

It is time to try a different funding approach, and Pell Grants, the college scholarships offered to low-income students, provide a useful model. Congress should enact "Pell Grants for Kids," which would provide a $500 scholarship to each middle- and low-income child in America. Children could use these scholarships at any public or private school or for any educational program, such as private tutoring. Homeschooled children would also be eligible for the scholarship, as long as the money was spent on an accredited educational program. Overall, the grant would be available to about 60 percent of America's 50 million primary and secondary school students, those whose families earn $53,000 or less. It would put the parents of approximately 30 million children directly into the education marketplace, each of them armed with a $500 grant, thereby encouraging choice and competition.

This idea has a distinguished lineage. In the late 1960s, Theodore Sizer, then at the Harvard Graduate School of Education, proposed a "Poor Children's Bill of Rights" that would have

supplied scholarships of $5,000 per child to the poorest half of children in the United States, for use at any accredited school, public or private. In 1992, while I was serving as secretary of education under President George H.W. Bush, the president asked Congress to appropriate a half billion dollars to create a pilot "GI Bill for Kids." The program would have awarded $1,000 scholarships to 500,000 children in states and cities that wanted to try the idea, but the Democrat-controlled Congress refused to enact it.

The most important point to make here is that most of this new scholarship money is likely to be used at the public schools that nine out of ten students now attend. I believe parents are likely either to give the money to their school to meet its general needs or to seek the school's advice on how best to spend the money to help their child. Surveys show that while many Americans are discouraged about the state of education generally, most parents support their own child's public school. Parents in affluent school districts regularly augment their schools' budgets with contributions for extra programs, particularly in the arts. Pell Grants for Kids would give children of low- and middle-income parents the same opportunity.

Pell Grants for Kids would provide more federal dollars for schools while also encouraging more local control—I mean more control by parents and teachers—over how that money is spent. Once parents make the decision about *where* the $500 will be spent, the principal and teachers in that school or program decide *how* it will be spent. For example, in a public middle school with 600 students, if two-thirds of the children are eligible for the grant, that's $200,000 in new federal dollars each year following those children to that school. This would be manna from heaven for schools, many of which engage in time-consuming charity sales to net $500 or $1,000 for needed programs and projects. Enterprising principals surely would design programs to attract parents' investment—perhaps an after-school program, an extra math teacher, or an intensive language course. And if they didn't, parents would have the option to spend the money on another accredited educational program that suited their child's needs, such as tutoring.

Aside from stimulating competition, these new federal funds would help to narrow the gaps in spending between wealthy and poor districts and make more real the promise that no child will be left behind. For example, in Bryan, Texas, property values average about $128,000 per student. Next door is College Station, home of Texas A&M University, where property values are $305,000 per student. As a result, College Station is able to collect far more in property taxes and its schools thus spend twice as much per student as those in Bryan. Last year Herman Smith, superintendent of schools in Bryan, told me, "College Station is talking about *cuts* in programs and personnel that we could only dream of."

About 90 percent of Bryan's 13,500 students would be eligible for the $500 Pell Grants for Kids, putting more than $6 million in new federal dollars into the hands of Bryan parents. They could then provide more funds to Bryan's public schools, as is likely, or use the scholarship to help pay for enrichment programs or private school tuition. Bryan would still have fewer dollars to spend than College Station, but the gap would narrow.

Laboratories of Democracy

Four states have adopted policies resembling the Pell Grants for Kids proposal. Arizona, Illinois, Iowa, and Minnesota all provide reimbursement for educational expenses through tax credits or deductions. The Pell Grant for Kids would involve a direct grant to families, but economists regard tax benefits and grants as equivalent.

STATE	PROGRAM	DATE OF ENACTMENT
Arizona	Tax credit (nonrefundable) of up to $200 per individual or $250 per couple. Reimbursement for fees or donations to public schools for extracurricular activities or character education programs. Unused credits may be carried forward for five years.	1997
Illinois	Tax credit (nonrefundable) reimburses 25 percent of tuition, books, and lab fees in public, private, or home school. The first $250 paid is not eligible for the tax credit, and the credit may not exceed $500 per family.	1999
Iowa	Tax credit for 25 percent of tuition, textbooks, and extracurricular activities at public schools or nonprofit private schools. Tax credit may not exceed $250 per dependent child. Costs of religious materials are excluded.	1987
Minnesota	Tax deduction of up to $1,625 spent on elementary-school expenses and up to $2,500 for secondary-school expenses. Taxpayers with students in private, public, or home school qualify. Eligible expenses include tuition, tutoring, textbooks, transportation, academic summer camps, summer school, and up to $200 for a computer or educational software. Costs of extracurricular activities and religious materials are excluded.	1955; 1997 amendment established the tax credit
	Tax credit (refundable) for 75 percent of K–12 expenses. Tax credit may not exceed $1,000 per child or $2,000 per family. Taxpayers with students in private, public, or home school qualify; those with incomes greater than $27,500 ineligible. Eligible expenses and exclusions same as for tax deduction, except that tuition is also excluded.	

Overcoming Objections

Let's consider some questions and criticisms that might accompany the Pell Grant for Kids proposal:

• *In a time of tight budgets, can the nation afford to offer $500 scholarships to 30 million schoolchildren?* If it were enacted today, Pell Grants for Kids would cost $15 billion a year. A number of measures could be taken to ease the burden. First, implement the program gradually, providing $500 scholarships only to kindergarten and 1st graders in the initial year. This would cost just $2 billion. Second, over the next several years, devote most of the new appropriations for K–12 education (not related to children with disabilities) to Pell Grants for Kids. Done this way, it would not take many years to fully fund the scholarships while staying within a reasonable budget. For instance, if Congress had allocated two-thirds of all new federal spending (non–disability related) on K–12 education since 1992 to this program, $10 billion would have been available for scholarships this year—enough to provide full $500 scholarships to all middle- and low-income children in kindergarten through the 8th grade.

Or consider this: In just the first two years of the current administration, Congress appropriated $4.5 billion in new dollars for K–12 education (not counting another $3 billion

more for children with disabilities). That $4.5 billion would have been enough to fully fund $500 scholarships for all nine million low- and middle-income children in kindergarten through 3rd grade.

• *Aren't K–12 schools and colleges so different that the Pell Grant analogy is invalid?* It is true that schools and colleges sometimes emphasize different public purposes. For example, schools are asked to teach children what it means to be an American, to inculcate moral values, and to make up for poor parenting. Universities have research and public service missions that schools don't share. But the core mission of both schools and colleges is the same: teaching and learning. Most high schools teach some college courses. Most community colleges teach some high-school students. That is why it is so odd that the way the federal government funds K–12 education is so different from the way it funds colleges.

• *Aren't you overlooking some real problems that colleges have?* No doubt universities have significant problems. Some college students don't pay back their loans. Some for-profit institutions are shams. Some courses are weird. Some tenured faculty members are worthless. In the context of rising tuition costs, there is too little interest in creating a less leisurely university calendar, in proposals such as requiring professors to work over the summer. Such abuses are the price of institutional autonomy and choice. Overall, however, American colleges and universities are by far the best in the world—and therefore useful models for how to improve our other educational institutions.

• *Can we trust middle- and low-income parents to spend $500 wisely on their child's education?* I would remind those who make this condescending argument that Congress currently appropriates $8 billion each year to provide childcare vouchers to 2.3 million low-income parents. These parents may use the voucher at any licensed center, public, private, or religious. Likewise, 9.5 million low-income students may spend their federal student aid dollars at any accredited college. If Congress trusts low-income citizens to choose childcare and higher education providers for themselves, why not trust them to spend $500 on K–12 education programming for their children? In addition, because of our experience using established accrediting agencies to monitor Pell Grants for colleges, it should be relatively easy to create a similar system to make sure that Pell Grants for Kids are not spent on fly-by-night operations.

• *Will more federal funding mean more federal control over education?* Pell Grants for Kids would actually reduce federal control over education. The current funding process dictates how federal dollars are to be spent and imposes heavy regulations on local schools. Letting federal dollars follow children to the school of their parents' choice would put control back into the hands of parents and teachers.

• *Would Pell Grants for Kids violate the principle of separation of church and state?* Federal grants have followed students to parochial colleges since World War II and to parochial daycare centers since 1990.

• *Will giving individual schools so much autonomy leave some mired in mediocrity?*

Autonomy need not mean a lack of accountability. The No Child Left Behind Act requires states to establish tough academic standards and to measure students' and schools' performance on an annual basis. With these accountability systems in place, the argument for choice is that much stronger. Parents will have the knowledge of school performance to make informed choices about where to spend their new federal dollars. For this reason, students who decide to use their $500 scholarships at private schools would still be required to participate in their state's testing program.

• *Why not let all Title I money follow children to the schools of their choice?* For now, I believe a gradual approach is warranted. The nation should begin by letting parents control how most, not all, of newly appropriated federal dollars for K–12 education are spent. Let's monitor parents' spending patterns and school performance for a while and then evaluate whether to expand the program.

• *But private school tuition costs far more than $500.* Correct. So those who worry that vouchers will hurt public schools should relax. But six hundred parents armed with $500 each can exercise $300,000 in consumer power at a public middle school. Five hundred dollars can also help pay for language lessons or remedial help. At Puente Learning Center in South Los Angeles, Sister Jennie Lechtenberg teaches students of all ages English and clerical skills at an average cost to the center of $500 per year.

"Enacting Pell Grants for Kids should be the next central thrust of federal efforts to improve the nation's schools," writes Senator Alexander, who served as secretary of education in the George H.W. Bush administration.

Toward Better Schools

Of course by themselves Pell Grants for Kids would not create the best schools in the world. As David Gardner said, it took autonomy and high standards in addition to generous funding following students to schools of their choice to help create the finest university system in the world. To increase schools' autonomy, Congress should provide generous support to the charter school movement, offer waivers from federal rules to successful school districts, and use its oversight power to simplify federal laws and regulations. To help schools aspire to the excellence most colleges enjoy, Congress needs to give schools more flexibility in administering the mandates of No Child Left Behind. To make it easier for schools to pay teachers more for teaching well, just as colleges do, Congress should encourage the National Board for Professional Teaching Standards and other efforts to reward outstanding teachers. These organizations, in turn, must make the measure of students' progress a key ingredient in a teacher's evaluation.

It is a mistake to expect that merely switching to the higher education model for funding is all Congress needs to do to help transform public schools. To help children arrive at school ready to learn, Congress should heed President Bush's challenge to strengthen Head Start by improving coordination, emphasizing cognitive skills, increasing accountability, and involving governors. So that state and local governments can remain financially sound enough to support good schools, Congress should keep its promise to end unfunded federal mandates. So that children can learn what it means to be an American, Congress should help states put the teaching of American history and civics back in its rightful place in school curricula.

Finally, no plan for better schools is complete without better parenting. In his research James Coleman found that, until a child is 14, parents are twice as important as school for the child's learning. Yet the United States has gone from a society that values the job of being a parent to one that has been waging a war on parents. Liberal divorce laws and the diminished importance of marriage, higher taxes, poor schools, trash on television, unsafe streets, uncontrolled illegal drugs, and inflexible work arrangements have all made it harder for parents raising children. No part of American society has paid a higher price for this than our schools. Giving every middle- and low-income child a $500 scholarship to help encourage choice within education is a start, but only a start, toward putting government and society squarely on the side of parents raising children.

Nonetheless, enacting Pell Grants for Kids should be the next central thrust of federal efforts to improve the nation's schools. For the past half century, the United States has actively supported the expansion and improvement of higher education through a generous funding system that encourages autonomy, choice, and competition. Our institutions of higher education have helped produce the research that has been responsible for creating half our new jobs since World War II. They have sculpted an educated leadership and citizenry that have made our democracy work and made it possible to defend our freedoms. It is past time to take the formula that has worked so well to help create the best colleges in the world and use it to help create the best schools for our children.

–Lamar Alexander, R-Tennessee, is a U.S. senator. He served as U.S. secretary of education from 1991 to 1993.

Senator ALEXANDER. Next, I would like to include an article from the Congressional Record from 1979 that describes the proposal that Senator Moynihan and Senator Ribicoff made to amend Title IV of the Higher Education Act of 1965 and simply make Pell Grants available also to elementary and secondary students.

[The information follows:]

ARTICLE FROM CONGRESSIONAL RECORD

BY MR. MOYNIHAN:

S. 1101. A bill to amend subpart 1 of part A of title IV of the Higher Education Act of 1965 to provide for basic educational opportunity grants for elementary and secondary school students, and for other purposes; to the Committee on Labor and Human Resources.

ELEMENTARY AND SECONDARY SCHOOL STUDENT BASIC EDUCATIONAL OPPORTUNITY GRANT ACT

Mr. MOYNIHAN. Mr. President, I am today introducing a bill to make basic educational opportunity grants available to needy elementary and secondary school students. This complements the tuition tax credit bill that we recently introduced and in no way substitutes for it. Just as I believe that both need-based grant aid and tuition tax credits should be available to assist with the costs of college education, so also should the two alternatives be available for needy students with tuition costs at the elementary and secondary level.

As amended by the Middle Income Student Assistance Act of 1978, the basic grants program covers students from families with income up to $25,000; the grants range from $200, for students near the upper end of that scale; to $1,800 for students from very low-income families. Many students are not eligible for grant aid, and for them we have proposed tax credits. Some students would be eligible for grant aid, and they will presumably choose the one that suits them best. This will not necessarily be the form that produces the most assistance; for some, the simplicity of the tax credit may make it more attractive than the complex forms required to apply for a basic grant, particularly where the respective amounts of aid are not much different. Others, particularly the neediest, will plainly fare better under the grant program. But there is no redundancy or overlap between the two forms of aid: The tax credit would be available only for tuition which the student or his family actually pays; insofar as a basic grant (or other aid) covers tuition expenses, those expenses would not be eligible for a tax credit.

Precisely the same reasoning ought apply to elementary and secondary schooling—if, that is, we are serious about educational pluralism and about providing educational choices to low- and middle-income families that are similar to those routinely available to upper income families.

This was the impulse behind the basic educational opportunity grants program as enacted by Congress in 1972. It was the impulse behind the Presidential message to Congress that I drafted in 1970 which proposed such a program. It is the impulse to provide equality of educational opportunity to every American, and it is as legitimate and important an impulse at the primary and secondary school level as it is at the college level.

The basic grants program, and the other major student aid programs authorized under Title IV of the Higher Education Act, will expire during the 96th Congress, and one of our important responsibilities in the next 18 months is to reform and extend them. I shall have more to say on that subject on other occasions. But it is none too early to introduce the idea that one reform that must be seriously considered is the inclusion of needy elementary and secondary school students.

It will doubtless be argued by some that this legislation is unconstitutional, inasmuch as many students with tuition costs at the elementary and secondary level are enrolled in church-related schools. I see no distinction of constitutional significance between the aid we already provide to students in church-related colleges and that which I propose to provide at the primary and secondary level, but I do not assert that the Supreme Court will necessarily agree with me. As with tuition tax credits, however, this question can only be resolved by the Supreme Court, and that can only happen if the authorizing legislation is passed by the Congress.

Senator ALEXANDER. Finally, I would like to include in the record three pieces of information about Former President Bush's pro-

posed GI Bill for Kids. One would be a question and answer document.

[The information follows:]

HOOVER INSTITUTION ON WAR, REVOLUTION AND PEACE

Q. AND A.—STATE AND LOCAL GI BILLS FOR CHILDREN

Question 1. What is the "State and Local GI Bills for Children" proposal?

Answer 1. It is a proposal for half-a-billion new Federal dollars to help States and communities give each child of a middle- or low-income family a $1,000 annual scholarship that families may spend at any lawfully operating school of their choice—public, private, or religious.

Question 2. Why do this?

Answer 2. To give middle- and low-income families consumer power—dollars to spend at any school they choose—which is the muscle parents need to transform our education system and create the best schools in the world for their children.

Question 3. Why call it "State and Local GI Bills for Children"?

Answer 3. At the close of World War II, the Federal Government created the GI Bill giving veterans scholarships to use at any college of their choice—public, private or religious. This consumer power gave veterans opportunity, helped to create the best system of colleges and universities in the world, and gave America a new generation of leaders. Now that the Cold War is over, the Federal Government should help State and local governments create GI Bills for Children giving middle- and low-income parents scholarships to use at the elementary or secondary school of their choice—public, private, or religious. This consumer power will give opportunity to children and help to create the best system of elementary and secondary schools in the world.

As Anthony Cardinal Bevilacqua said of a Pennsylvania "GI Bill for Kids" proposal, "A bill like this gives a choice to everybody. If it passes, it will help all schools—public schools, Catholic schools, private schools and the schools of other religions."

Question 4. Who can apply?

Answer 4. Once Congress enacts President Bush's proposal for this competitive 4-year grant program, any State or locality can apply for enough Federal funds to give each child of a middle- or low-income family a $1,000 annual scholarship. The governmental unit would have to: (1) take significant steps to provide a choice of schools to families with schoolchildren in the area; (2) permit families to spend the $1,000 Federal scholarships at a wide variety of public and private schools; (3) allow all lawfully operating schools in the area—public, private, and religious—to participate if they choose.

Question 5. On what basis are the grantees selected?

Answer 5. The Secretary of Education would select grantees on the basis of: (1) the number and variety of choices made available to families of eligible children; (2) the extent to which the applicant has provided educational choices to all children, including children who are not eligible for scholarships; (3) the proportion of participating children who are from low-income families; and (4) the applicant's financial support (including private support) for the project.

Question 6. Who gets the money?

Answer 6. Middle- and low-income families, to be spent at schools they believe best meet the needs of their children. Each successful State or local applicant would receive $1,000 for a scholarship for each eligible child of middle- and low-income families in its jurisdiction. The State or locality would establish its own definition of "middle- and low-income," subject to a cap based on the higher of the State or national median family income. Families would receive the $1,000 scholarships to send their children to any lawfully operating school of their choice—public, private, or religious. The parents could use the scholarship funds for tuition and fees at the school they select, for reasonable costs of transportation to the school, or to obtain supplementary academic services. If the amount of a grant is insufficient to provide a $1,000 scholarship to every eligible child in the program area, the scholarship would go to the lowest income children first.

Question 7. At what kind of school can the money be spent?

Answer 7. At any lawfully operating public, private, or religious school. Up to $500 per scholarship could be used for supplementary academic services selected by the family.

Question 8. What are supplementary academic services?

Answer 8. While the Secretary expects to issue regulations defining what may be approved supplementary academic services, the intention of this proposal is to encourage schools and others to create a marketplace of educational opportunities for children outside traditional school hours. Services may include other academic programs for children before and after school, on weekends, and during school vacation periods.

Question 9. Can a child spend $500 at a public school and then $500 at a private after-school program?

Answer 9. Yes. Or a child can spend $500 at two different public school programs or at two different private school programs.

Question 10. Will $1,000 per child really create more opportunity?

Answer 10. Yes. $1,000 per pupil in new Federal money would be a significant increase in education funding. For example, Mississippi spent an average of just $2,900 per student (Federal, State, and local funding) in 1988–1989.

According to the most recent annual data available, average tuition was $1,327 for all Catholic schools and $1,915 for all private schools. Fifteen percent of all private schools charged less than $500 tuition, and 37 percent charged less than $1,000. At the elementary school level, 18 percent of all private schools charged less than $500 and 44 percent charged under $1,000. The average tuition at Catholic elementary schools, which enroll about two-thirds of all private elementary students, was about $1,000.

Question 11. Is this a new Federal entitlement?

Answer 11. No. This will be a discretionary 4-year grant program for which States and localities will compete for funding. The Federal Government cannot afford one more entitlement program, even for education.

Question 12. Doesn't this proposal cause a church and State problem?

Answer 12. No. The government money is for families, not institutions. Just like the original GI Bill and Pell Grants, the scholarships are offered on a neutral basis to a broad class of beneficiaries, without reference to religion. Parents, not the government (at any level), decide where to educate their children and where to use the scholarships. This bill provides assistance to a broad class of beneficiaries (middle- and low-income children) on a religiously-neutral basis. The assistance can be used at a broad range of schools, and participation in the program, is in no way based on religion, or on attendance at a religious school. It is unquestionably constitutional under the Supreme Court precedents.

Question 13. Is this the first time Federally-funded scholarships have gone to students who can then use the scholarships at private or religious schools?

Answer 13. No. College students can take their Pell Grants, Stafford Loans, veterans benefits, and other Federal student assistance to any accredited institution, public, private or religious. At the preschool level, the Dependent Care Tax Credit and the new Child Care Certificate are available to be used by parents at the child care provider of their choice.

Question 14. Can public schools participate?

Answer 14. Of course. The $1,000 Federally-funded scholarships provided under the State and Local GI Bills for Children proposal would follow each child from a middle- or low-income family to the school that child's family chooses—including public schools. There is no requirement to change schools to receive the scholarship. Since 90 percent of all children attend public schools today, presumably most of these funds would go for the education of children in public schools.

For participating children who attend public schools, the portion of scholarships not used by parents for supplementary academic services would provide flexible Federal funds to be used in the school attended by the child for whom the scholarship was issued. Unlike categorical grants, teachers and principals would have control over how best to spend these funds at the school site to meet the specific needs of that school's students, and achieve the high educational standards called for by the National Education Goals.

Question 15. Won't giving families choices of private schools hurt public schools?

Answer 15. No. Giving families more opportunity to choose the school that best meets the needs of their children should help make all schools better, just as the GI Bill and other Federal scholarships have helped make American colleges and universities the best in the world.

Our experience with a half century of Federally-funded scholarships that students can spend at any college is that, today, many more students attend college, and a much higher percentage of students choose to attend public institutions. After World War II, when the GI Bill started, only 5 percent of Americans had college degrees, and less than 50 percent of college students attended public institutions. Today, 60 percent of high school graduates go to college and nearly 80 percent of college students attend public institutions. And, today, almost half the full-time 4-year college students have a Federal grant or loan which they may spend at any college—public, private, or religious.

Question 16. How would the proposal work?

Answer 16. The following examples will help illustrate the impact of the bill. If the communities listed below applied and won a grant, estimated funding would be as indicated:

Indianapolis has approximately 56,000 students in both, private and public schools. About 64 percent of these students come from middle- and low-income families and would be eligible for $1,000 scholarships under the State and Local GI Bills for Children. If Indianapolis won a grant, it would mean up to $35.5 million in new Federal funds (over and above any other U.S. Department of Education funding the district now receives). This would be more than double the $14 million provided by the Department of Education in the 1991–1992 school year.

In Milwaukee, which has about 107,500 school-age children, 67 percent or 71,600 children come from middle- and low-income families and would be eligible to receive scholarships totaling up to $71.6 million (over and above any other U.S. Department of Education funding the district now receives). This would be more than twice the $32 million in Department of Education grants it received in the 1991–1992 school year.

The San Jose, California School District serves 32,800 schoolchildren, of whom 61 percent come from middle- and low-income families and would be eligible for scholarships totaling up to $20.1 million (over and above any other U.S. Department of Education funding the district now receives). This would be about four times the $5.0 million provided by the Department of Education in the 1991–1992 school year.

Question 17. Can you give an example of how State and Local GI Bills can give more flexibility to public school principals and teachers?

Answer 17. Most public school teachers and principals have limited if any discretionary money. The State and Local GI Bills, through families, will provide new Federal dollars at the school site that teachers and principals can use to help all children achieve the high educational standards called for by the National Education Goals.

For example, at Pyne Point Junior High School in Camden, New Jersey, principal Vernon Dover and his staff of 77 teachers could receive up to $500,000 in new funds. Ninety-five percent of the 571 children at Pyne Point would be eligible for the State and Local GI Bills for Children, as they come from middle- and low-income families.

At Martin Luther King Junior High School in East St. Louis, Illinois, principal Eddie Burns and his staff of 58 teachers could receive up to $700,000 from the State and Local GI Bills for Children. Virtually all of the 700 children at King Junior High come from middle- and low-income families.

At Amidon Elementary School in Washington, DC, principal Pauline Hamlet and the 32 teachers could receive up to $220,000 for their 423 students. More than half of the Amidon students come from middle- and low-income families.

Question 18. Will this program benefit mainly wealthy families?

Answer 18. No. Wealthy families already have choices. They can afford to move to another school district or to send their children to a private school if they wish. Only middle- and low-income families are eligible to participate in this program. The goal is to provide these families with more of the kinds of educational options that wealthy families already have.

Currently, those groups that express the most dissatisfaction with educational options in their communities generally have the least power to move to another school district or send their children to a private school. In a 1991 Gallup poll, only 27 percent of inner-city residents gave high marks to local public schools, compared to 42 percent of the general public. Inner-city residents also expressed the greatest desire for more educational options, with 70 percent supporting public school choice and 57 percent supporting a voucher system.

As Wisconsin State Representative Polly Williams observed: "School choice empowers low-income families . . . Parents with money can use it as a leverage in decision making. Low-income families are stuck in a non-responsive system." State and Local GI Bills for Children will give middle- and low-income families the power to vote with their feet if they are not satisfied with the educational product of the school.

Question 19. Won't choice encourage racial discrimination? What about children with disabilities? What about gender discrimination?

Answer 19. This legislation provides aid to families, not to institutions. However, as a condition of participating in this program, a school must comply with Federal anti-discrimination provisions: section 601 of title VI of the Civil Rights Act of 1964 (race), section 901 of title IX of the Education Amendments of 1972 (gender), and section 504 of the Rehabilitation Act of 1973 (disability).

Question 20. Does the bill encourage States and private sector contributions to supplement scholarships?

Answer 20. Any State or private funds that would supplement the scholarships would be encouraged, and the Secretary would view them as a positive factor in evaluating grant applications. Even now, private funding is playing an important role in some areas. For example, the Bradley Foundation and area businesses in Milwaukee recently pledged $3 million to expand the number of choices low-income Milwaukee families have. In Indianapolis, Indiana, the Golden Rule Insurance Company, Chaired by J. Patrick Rooney, created a privately-funded voucher program that provides poor, inner-city students with scholarships for half of private school tuition costs. In the first year, over 700 students were given vouchers of up to $800 to attend any school of their choosing. This stimulated three San Antonio businessmen, Dr. Jim Leininger, W. Lawrence Walker, and Gen. Robert McDermott to create a similar private voucher program called the CEO Foundation. The CEO Foundation has earmarked $1.5 million in vouchers for up to half of any child's school tuition, up to $750.

Question 21. How does the legislation define "a middle-income family?"

Answer 21. The State or locality would establish its own definition of "middle- and low-income," subject to a cap based on the greater of the State or national median family income.

Question 22. What examples of choice programs exist in the country today?

Answer 22. There are many successful examples. The public-school choice program in East Harlem, New York is one of the better known. The Milwaukee parental choice program permits any K–12 low-income student in the city to attend, at no charge, any nonsectarian private city school. The receiving school is required to accept $2,500 in funds as full payment. Participation in the program is up 60 percent over the first year. Minnesota has been the leader in State-sponsored school choice programs. In 1988, it adopted a statewide open enrollment plan that allows any family to apply to send their children to public schools in areas outside their resident district. Vermont has had a "tuitioning" law since 1869 that allows towns without schools of their own to pay for their students to attend any nonsectarian private or public secondary school, even those outside the State. Overall, in 1991, 10 States approved some form of new choice legislation, and 37 States had choice legislation pending in one form or another.

Question 23. Won't this program draw off the best students and leave behind the neediest students in the worst schools?

Answer 23. No. Giving all families more choices of all schools should make all schools better, and all participating public schools would be eligible for funding. Moreover, this has not been the experience of the Milwaukee parental choice program, which provides State aid to support the enrollment of low-income students in participating nonsectarian private schools. Rather than skimming off the best students, the Milwaukee program is providing an alternative educational environment for many students who are not succeeding in the public school system.

Question 24. How can the State or locality help parents make appropriate choices for their children?

Answer 24. The proposed legislation would require States and districts to include in their applications a description of procedures for informing families of the project and of the choices available to them under the project, including the availability of supplementary academic services. High quality parent information would be a significant feature of any choice program.

For example, White Plains, New York has an outstanding parent information program as part of its public school controlled-choice program. Each year, the district contacts eligible families to inform them of the program and to urge them to register their children. The district also puts up posters with tear-off information cards in dozens of neighborhood locations, including barber shops, laundromats, libraries, and churches. Posters in Spanish are placed in stores that serve large numbers of Spanish-speaking customers. The district has set up a Parent Information Center where staff meet individually with parents to answer questions and set up appointments to visit the schools, and assist with transportation, child care, and problems with teachers.

Question 25. How does this proposal that includes private schools square with the American tradition of public education?

Answer 25. Public education need not mean education offered by only one provider who gives each child—except the wealthy—a choice of one school. Instead, public education should be a menu or marketplace of educational opportunities offered by many providers that all families may choose among based upon what the family feels best fits the needs of each child.

Senator ALEXANDER. One would be an address that I made at Ashland University in 1992 describing the proposal.

[The information follows:]

A "GI BILL FOR CHILDREN"

BY LAMAR ALEXANDER

JOHN M. ASHBROOK CENTER FOR PUBLIC AFFAIRS

ASHLAND UNIVERSITY

FOREWORD

This lecture was delivered at the Ninth Annual John M. Ashbrook Memorial Dinner on September 12, 1992. The subject for the 1991–92 Major Issues Lecture Series is "Striving Towards Excellence in Education." Because, as Governor George Voinovich has said, these lectures "cover topics that are innovative and substantive within the educational field," and because the "subject is of particular relevance considering the challenges facing our current educational system," the Ashbrook Center is publishing the lectures under the series "Excellence in Education." It is our hope that the wide circulation of these monographs, and the book to follow, will add to the much needed national dialogue on educational issues. Other speakers and authors in the series include: Denis P. Doyle, Pete du Pont, Chester Finn, Rita Kramer, Lynne Cheney, and Dinesh D'Souza. The opinions expressed in these publications do not necessarily reflect the views of the John M. Ashbrook Center or its Board of Advisors. The Center is grateful to the John M. Olin Foundation for its generous support of the series.

F. CLIFTON WHITE,
Director, Ashbrook Center.

Thank you for the honor of taking part in such a distinguished series of lectures. I am honored first because these are John Ashbrook's lectures. John was an extraordinary and principled man who never did anything halfway.

I'm honored secondly because it was F. Clifton White himself who invited me. To be precise, Clif told me to come, so, of course, I did. I am one of the thousands of persons across this county who have learned to do what Clif White tells us to do.

When I set out on my first political venture in 1974 Clif helped me. He was already a national hero—the engineer of the Goldwater movement; I was a 33-year-old rookie running for governor of Tennessee. Unfortunately, it was the Watergate year. For a Republican, my timing was just about as good as Caesar's on the Ides of March. But, with Clif's help at least I won the Republican primary. Wherever we would go, Republicans would come out to see F. Clifton White—and thankfully a majority of them remembered to vote for me.

Clif and I have remained good friends. I've admired his devotion to good government, to education and to young people. He has young disciples around the world now, learning about government and politics—and while I'm not so young anymore, Clif, count me as one of those disciples.

All parents want what is best for their children, especially the best education. That is why so many people paid attention when The Carnegie Foundation for the Advancement of Teaching recently reported that 28 percent of parents said they would like to send their child to "some other school, public or private, inside or outside of their district."[1]

This is truly astonishing: 28 percent—*parents of at least 12 million American families*—would like to send their child to some other school. Nine percent said some other public school; 19 percent said some other private school; 2 percent said "don't know."

I want to talk tonight about President Bush's proposal to help those 12 million families have the opportunity to find that "other school." We call the proposal a "GI Bill for Children." It would give $1,000 annual scholarships in new Federal dollars to each child of a middle- and low-income family in a participating State or locality. Families could spend the scholarships at any lawfully operated school—public, private, or religious. Up to $500 of each scholarship could be spent on "other academic programs," for example, a Saturday program to learn more math, or an afternoon program for children with speech disabilities, or a summer accelerated course in language or the arts.

> *[The] "GI Bill for Children." It would give $1,000 annual scholarships in new Federal dollars to each child of a middle- and low-income family in a participating State or locality.*

Let me emphasize here what most people usually miss: these are thousand dollar scholarships that may be spent at any school. That means most of the dollars—I would expect more than 75 percent—would go to *public* schools.

> *These are thousand dollar scholarships that may be spent at any school. That means most of the dollars—I would expect more than 75 percent—would go to public schools.*

The President's proposal is a demonstration program, but it is the largest new program in the fiscal year 1993 Federal budget. It calls for a half billion new Federal dollars, enough to provide a scholarship for all eligible children (about 60 percent) in 24 cities the size of San Jose, or 30 the size of Little Rock or 7 the size of Milwaukee.

I predict the GI Bill for Children, when enacted, will become much more than a demonstration. During the 1990s, it will become the principal way the Federal Government helps to change and fund local schools. Giving middle- and low-income families new consumer power—dollars to spend at the schools of their choice—will give families the muscle to change the schools and give the schools new dollars to help pay for those changes.

States—discouraged by massive resistance to piece-meal school change—will enact legislation chartering thousands of "break-the-mold" schools and academic programs. Then they will create State-funded "GI Bills for Children" that give parents dollars to choose among these and other schools and academic programs.

Such an approach will unite all those who want our children to have the best schools in the world: taxpayers, who are reluctant to pour new money into a system that is not working; conservatives, who believe that parents choosing among schools will introduce competition that will make all schools better; and education advocates, who believe schools need more money, especially those schools that help children from the poorest families. Already, according to Gallup, 70 percent of Americans agree it is time to give parents such consumer power—dollars to spend at the schools of their choice.

This solution to the dilemma of parents who want a different school for their child seems so obvious that, one would think, this should be the end of my speech. It seems fair to give middle- and low-income families more of the same choices that wealthy families already have. What is more deeply rooted in America than the notion that competition helps all competitors improve? Did not the original GI Bill for Veterans—now so expanded that about one-half of all 4-year college students have a Federal grant or loan—help to create the best system of colleges and universities in the world? Why not at least try the same idea to help create the best schools in the world?

> *[A]ccording to Gallup, 70 percent of Americans agree it is time to give parents such consumer power—dollars to spend at the schools of their choice.*

Surprisingly, what should be apple pie, the American flag, and the first plank in any Party's platform has become the most divisive issue in American education. Teachers' union leaders are furious. They claim "choice," which includes all schools,

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[1] This report was issued after the speech was given, but before final revisions of this text.

public and private, will destroy public education. They have thrown unprecedented resources into defeating the President's efforts to literally re-invent our schools and give parents choices among them. "This is a dagger to our heart," one union leader told me. When I appear before editorial boards trying to discuss the President's entire AMERICA 2000 education program, I often find myself consuming most of the time arguing with editors who have plenty of choices of schools for their own children, yet who worry about giving those same choices to parents with less money. Privately, educators and others tell me they fear that school choice will hurt education, rather than help.

Perhaps most incongruous of all is the Carnegie report I mentioned earlier, the one that found that 28 percent of parents would like to send their children to "some other school." The report concludes that, although 28 percent of consumer parents are dissatisfied, this somehow represents a mandate to keep things the way they are. That is, if 70 percent say everything is OK, why change? If we had sent this same Carnegie team to Europe 5 years ago, would its members have reported that the Berlin Wall was a good idea because only 28 percent of East Germans wanted out?

The Berlin Wall analogy may seem harsh, but is not so far fetched, if you step back and think about it. America has stumbled into this system where one government agency in each town has been granted the franchise to create the only government schools, to operate those schools and to tell you which of its schools your child must attend—unless you have enough money to move to another school district or to choose a private school. These well-intentioned local monopolies have given us what monopolies in a rapidly changing world might be expected to give us—schools in a time warp, schools that stymie teachers and too often bore children, schools that leave 28 percent of America parents wishing they could send their child to some other school.

Except for land condemnation, I can think of nothing important in the life of law-abiding American citizens quite so coercive as our persistent denial of school choice to middle- and low-income families. This is certainly not the way America usually operates. What do you suppose would happen if some law said you had to drive a Ford instead of a Chevrolet? Or live in Cincinnati instead of Cleveland? Or take a job as welder instead of a fireman? Or marry this person instead of that one? Would it make you feel better if 70 percent of your neighbors told you it was good for you to drive the Ford, or live in Cincinnati, or be the welder, or marry person X even if you chose to do something else? In some countries this has been the norm—not in ours.

Except for land condemnation, I can think of nothing important in the life of law-abiding American citizens quite so coercive as our persistent denial of school choice to middle- and low-income families.

Congressman Bill Gradison of Ohio, who, with Missouri Senator John Danforth, is the principal sponsor of the GI Bill for Children, sits on the Ways and Means Committee in the House of Representatives. He has noticed that it is common Federal policy to trust poor families to make many important decisions for themselves. We don't tell holders of food stamps to spend them at only one grocery store, or limit those with Medicaid or Medicare benefits to one doctor or one hospital. Two years ago Congress gave poor parents vouchers to spend at any day care center. And no one would think of telling college students—one-half of whom have Federal grants or loans—that they couldn't use those grants and loans at Notre Dame, or Brigham Young, or Howard, or Baylor, or Yeshiva or any other of our independent or private colleges or universities. What would you think if the president of Ohio State went to Washington, D.C. and asked Congress not to increase the number of Federal grants and loans because some of the students might go to Ashland?

We are talking about something every American parent understands—wanting the best for your child. Eighty years ago, my grandfather sold his Tennessee farm and moved into Maryville so my father could go to a better school—a better public school, the same school I attended.

Over 35 years ago, Bill Clinton's parents drove him into Hot Springs, Arkansas, so he could go to a better school—in his case a private Catholic school.

Turn to the real estate ads in any Ohio newspaper. You'll find something like this: "Area 2: four bedrooms. Good schools." Ad writers know that all parents want what's best for their children.

So how can we say to parents of 12 million children that what was good enough for my father, or for Bill Clinton, or for anyone with money is not good enough for their children?

Before going one step further, it is important to acknowledge those who may be thinking, "Lamar, you are Mr. Johnny-one-note. Choice. Choice. Choice. Even if you were right, there is more to an education than choice of schools."

If that is what you are thinking, you are absolutely right. The President agrees with you. I agree with you. Tonight, talking primarily about the "GI Bill for Children" and choice, I feel a little like the preacher, who is on fire to preach the whole Bible, but who knows that, because he only has a half hour, he must pick one chapter. The whole Bible in my case would be AMERICA 2000, the President's revolutionary strategy to help America reach its six National Education Goals.

I could preach about how the President helped set a new direction for American education, called the Governors together in an historic summit in 1989, and established ambitious education goals, the first in our country's history.

Or, I could spend the entire evening talking about how education begins at home, with families who check homework, turn off the TV, love and read to their children, and instill values.

Or, there is a mighty lesson in AMERICA 2000 itself, a unique partnership of the President and the Governors to move community by community toward the education goals. Just last week, more than 2,500 communities were a part of the largest TV Satellite town meeting in our country, meeting at the same time from Anchorage to Miami, working on those goals. We believe in the African proverb: "It takes an entire village to educate one child."

I could preach a chapter on Federal funding: how the President has doubled Head Start to reach more 4-year-olds; about record levels of spending for college grants and loans; $2.1 billion redirected toward math, science and technology education at all levels; Federal funding for education under President Bush rising faster than State funding.

I could preach a chapter on the revolution to help thousands of communities start from scratch to create "break the mold" schools, the nearly 700 design teams that the New American Schools Development Corporation has inspired to help those communities, the $200 million business is raising to fund the design teams.

Perhaps the most important chapter is on world-class standards—the national standards in at least 7 core subjects that will be ready by 1994–95.

I could talk about the President's efforts to get government off the teacher's backs, giving them flexibility in their use of Federal and State education dollars.

There is no silver bullet and no quick fix in education. But if we are successful in literally reinventing thousand of very different schools and academic programs with high standards, and giving these schools autonomy, we certainly won't *assign* children to these schools will we? These schools will *attract* children. Parents will choose the schools, and by their choices help to keep standards high, to provide additional funds, and to help make those schools the best in the world.

And if the American dream means making as many of these choices as possible available to all children, then a "GI Bill for Children" seems inevitable—otherwise only parents with money will have a wide range of choices of these new schools and academic programs.

Here is how the "GI Bill for Children" would work. Let's say that Maria, age 30, likes her job at the hospital. But she is worried about her son David, age 11. The school board has assigned David to P.S. 23. Some children there have weapons. The teacher has decided David can't learn. The school closes at 3 p.m., although Maria, a single parent, works until 6 p.m.

Under the President's plan, since Maria makes less than $46,000 a year (the median income in her State), David would receive a $1,000 scholarship each year. Maria could use that scholarship at any lawfully operated school or other academic program that she thinks best meets David's needs.

Let's say the city where Maria lives is about the size of Akron, where 39,700 children attend elementary and secondary schools, 24,300 of whom are from middle- and low-income families. Maria's city could therefore obtain $24 million from the Federal Government—enough money to give each child the $1,000 scholarship. In order to receive the money the city would have to agree, first, to take significant steps to open its public schools to David and other children and, second, to let Maria spend David's $1,000 scholarship at any lawfully operating school—public, private or religious that wishes to participate.

In Maria's home town, the GI Bill for Children could create at least five new school choices for David—plus create new choices of public schools for all children.

New Choice Number One: A different public school. Maria's co-workers have told her about public schools in a district where children feel safe and where an accelerated learning program created by Stanford Professor Henry Levin helps at-risk children learn to high standards. These schools stay open until 7 p.m. With the $1,000 scholarship, Maria could pay for David's 30-minute bus ride to the new school. The

rest of the money would follow David to that school. Maria would pick up David when she leaves her job at 6 p.m. The drive home would provide 30 minutes of opportunity for conversation, something not always easy with an 11-year-old.

New Choice Number Two: St. Mary's, the Catholic School one block away. Most of the kids at St. Mary's are David's neighborhood friends; most are from low-income families; only a few are Catholic. The tuition is $750 a year.

New Choice Number Three: The same public school, P.S. 23, greatly changed. The district superintendent asks Maria and her neighbors: "What will it take to keep David and the others and their $1,000 scholarships in our neighborhood? Why drive across town? With our $5,500 per student in public funds (the national average)—plus your $1,000 scholarships—we should be able to have a much better school than the Catholic school or the public accelerated learning school across town." The superintendent and the parents talk about guns in schools, about teachers who don't believe all children can learn, about the lack of arts and music, about why the school and the playground are locked in the afternoons, on Saturday and in the summer. The superintendent promises change.

New Choice Number Four: A new school at the hospital where Maria works. The hospital announces it will create on-site from scratch "one of the best schools in the world" for its employees and their families. It will be very different: child care for baby, sixth grade for David, language and math for Maria, open every day, all year from 7 a.m. to 10 p.m. This is good business, it attracts and keeps good employees, and it reduces absenteeism when kids are sick. To operate this "break-the-mold school", the hospital forms a partnership with the public school district, a private school management company, and a design team from the non-profit New American Schools Development Corporation. The hospital will contribute the site and the start-up costs, the public school system will permit its $5,500 to follow each child to the site, and the employees' children will contribute their $1,000 GI Bill scholarships. The hospital will apply for planning money that the President has asked Congress to appropriate for jump starting the first 500 such New American Schools.

New Choice Number Five: Other academic programs. This is new and exciting. Maria can spend up to $500 of her scholarship to pay for special academic programs that help David with his speech problem. This way, David can attend the after-school academic programs at the Catholic school, even though he (and his remaining $500) stay at P.S. 23 for the regular school day.

The opponents of the "GI Bill for Children" seem determined to dredge up every possible scare tactic to discredit it. Let me mention a few of these.

The opponents of the "GI Bill for Children" seem determined to dredge up every possible scare tactic to discredit it.

• "Not enough money," they say. But this is half-a-billion dollars, for 500,000 children, the largest new program in the Federal budget for fiscal year 1993. It is a much bigger beginning than, for example, the first Head Start program in 1965.

• "What can $1,000 buy?" A trip across town to a better public school, an after-school academic program, a private school education. (The average tuition at a Catholic elementary school is about $1,000, and over half of all private school students are enrolled in Catholic schools.)

• "Hurts public schools." *But all this money can go to public schools*—if they can attract the students. The mayor of Milwaukee recently told the president, "The GI Bill for Children will hurt public schools in the same way the original GI Bill hurt public universities: it will help to make them the best in the world."

• "Helps the rich," they say. Wrong. This money goes only to those children who live in middle- and low-income families.

"The GI Bill for Children will hurt public schools in the same way the original GI Bill hurt public universities: it will help to make them the best in the world."

• "Violates the separation of church and State," some say. Wrong again. This is aid to families; not aid to schools. No one told the G.I.s at the end of World War II they couldn't go to Holy Cross, or SMU, or Brigham Young, or Yeshiva, or Howard. Many GIs, in fact, used the original GI Bill to get their high school diplomas from Catholic schools.

• "Poor families can't make good decisions." This is most often said by rich people with lots of choices. President Bush says, "Trust the parents, instead of the government."

President Bush says, "Trust the parents, instead of the government."

"What about discrimination?" GI Bill money can only follow children to lawfully operated programs; there are anti-discrimination provisions relating to race, disability and gender.

Considering all this, will the school board of say, Akron, or Maria's hometown—which now receives about 8.5 million dollars in Federal education grants—still reject 24 million in new Federal dollars for its children who need the most help just because non-government schools might attract some of the children?

Just the other day someone gave me an article from the August, 1968, issue of *Psychology Today* entitled, "A Proposal for a Poor Children's Bill of Rights." The proposal was to give a Federal coupon to perhaps up to 50 percent of American children through their parents to be spent at any school. "By doing so," the authors write, "we might both create significant competition among schools serving the poor (and thus improve the school) and meet in an equitable way the extra costs of teaching the children of the poor." The authors were Theodore Sizer and Phillip Whitten. Ted Sizer, of course, is today one of America's most respected and pioneering educators, Dean of the College of Education at Brown University, leader of the coalition of Essential Schools.

1968 was a long time ago. Lyndon Johnson was President. "Power to the people" was the battle cry. Sizer and Whitten went back much earlier than that:

> "The idea of such tuition grants is not new. For almost 2 centuries variant proposals for the idea have come from such figures as Adam Smith, Thomas Paine, John Stuart Mill and more recently from Milton Friedman. Its appeal bridges ideological differences. Yet it had never been tried, quite possibly because the need for it has never been so demonstrably critical as now."

The authors quoted Mario Fantini of the Ford Foundation, who spoke of a "'. . . parents lobby with unprecedented motivation . . . [with] a tangible grasp on the destiny of their children.' The ability to control their own destinies definitely will instill in poor people a necessary pride and dignity of which they have been cheated."

And what about the argument that this scheme might destroy the public schools? Sizer and Whitten said:

> "Those who would argue that our proposal would destroy the public schools raise a false issue. A system of public schools which destroys rather than develops positive human potential now exists. It is not in the public interest. And a system which blames its society while it quietly acquiesces in, and inadvertently perpetuates, the very injustices it blames for its inefficiency is not in the public interest. If a system cannot fulfill its responsibilities, it does not deserve to survive. But if the public schools serve, they will prosper."

Since 1987, we have watched in amazement how rapidly the rest of the world is seeking to emulate the American way of life. Everywhere in the world, freedom, choice, and opportunity have become the principles upon which are built the answers to the most basic human questions. Around the world, nothing is quite so much in disfavor as government monopolies of important services.

Even in Poland, the government is now giving families more choices of all schools, including private schools, as a way of extending opportunity and improving their system of education. Yet, remarkably in America school monopolies still close doors to poor children. Would it not be ironic if America were the last to try our own ideas?

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It is time for local school boards to think of themselves differently, as overseer of a system that offers families the widest possible range of choices of the best schools, in somewhat the same way that an airline looks at its responsibility to offer travelers a wide range of opportunities. The airline does not insist upon inventing or designing or building its airplanes. It does not insist on owning them. It does not even insist upon making reservations. The airline conceives its job as making sure that every traveler who wants to fly has a widest range of attractive choices at a reasonable cost and its passengers can get from A to B safely and on time.

We should think of a system of public education in much the same way. The managers of that system should think of themselves as in charge of making sure that every single child has the broadest possible number of options at a reasonable cost to enroll in the best schools and academic programs, to help each child do that safely, and to leave the school having learned what the child needs to know to live, work and compete in the world.

Already many school boards are thinking in this way. Dade County (Miami) is putting more elementary schools in hospitals, creating as many as 50 break-the-mold schools as it rebuilds after Hurricane Andrew. Honeywell has a high school in its corporate headquarters in St. Paul. Down the street, there is a kindergarten in a bank. Baltimore has hired a private company to help manage nine public schools. Minnesota school boards have long had "contract schools" that others design and operate. California has just authorized 100 "charter" schools designed by teachers and others, free of the usual regulations. Why not invite museums, corporations, groups of teachers, libraries, places of business to design and operate schools that arc the best in the world and let those schools attract our children? Why employ our most creative people only when we want to create missiles that will find their way down smokestacks?

I have a prediction and a suggestion.

The prediction is that by the time our fifth graders, the class of 2000, are seniors, school choice will not be an issue. Much of this fury will subside as soon as educators read the President's legislation and begin to realize—as most do not now—that all of the money can go to public schools and most of it will. This is a lot of money—for example, in the average elementary school in Akron, 360,000 new dollars every year without strings to a school of 600 students. It will be hard for a school district to turn its back on this money for the poorest Americans when its only reason for doing so is that some of these poor families might choose to change from one school to a school that is better for their children.

The prediction is that by the time our fifth graders, the class of 2000, are seniors, school choice will not be an issue.

Watch for California to lead the way as it grapples with enormous challenges to its education system. According to Education Secretary Maureen Demarco, 200,000 new children—more than attend all the schools in Detroit—will arrive in California schools *every year*. Twenty-two percent of the children in California schools don't speak English. Something has to give. The school structures were never designed for such challenges. Drastic changes—and more money—will be required.

California's response this year was to enact legislation creating 100 charter schools, taking off State and union rules, and inviting teachers to create new schools that meet the needs of children. California also tried to create vouchers for its exiting schools by referendum, which did not quite secure the necessary number of valid signatures to get on the ballot. (But the referendum is slated for consideration in 1994.) What if California combined the demand for different kinds of schools, the demand for school choice, and the demand for new funds into a single movement: chartering 1,000 new schools each year for the next 10 years, and establishing a California GI Bill for Children creating scholarships that parents could use at any California school? The Federal GI Bill for Children could then supplement California legislation by providing additional dollars for parents of middle- and low-income children.

What if California combined the demand for different kinds of schools, the demand for school choice, and the demand for new funds into a single movement: chartering 1,000 new schools each year for the next 10 years, and establishing a California GI Bill for Children creating scholarships that parents could use at any California school?

Which leads me to my suggestion. This one is for some Ashbrook Scholar who will be writing a thesis in the year 2000, when today's fifth graders are seniors. Make your subject parental choice of schools. By then, it will be a matter of history. Your colleagues will wonder along with you as you examine this strange era when we granted government monopolies control of the most valuable and important enterprises in town, and so many people fought furiously to keep doors to many of the best schools closed to poor children. Your colleagues will ask, how could this have ever happened in America, at a time when the ideas of freedom, choice and opportunity were sweeping the rest of the world? It will be your challenge as a scholar at the Ashbrook Center to help them understand why.

ABOUT THE AUTHOR

On January 22, 1991, President Bush nominated Lamar Alexander as U.S. Secretary of Education. He was unanimously confirmed by the Senate on March 14, 1991.

Immediately before taking office, Secretary Alexander was president of The University of Tennessee, a position he had held since July 1988. He served as governor of Tennessee from 1979 to 1987. As Chairman of the National Governors' Association, he led the 50-State education survey, Time for Results. In 1988 the Education

Commission of the States gave him the James B. Conant Award for "distinguished national leadership in education."

He is a Phi Beta Kappa graduate of Vanderbilt University and was a law review editor at New York University. He was born July 3, 1940. He and his wife, Honey, have four children: Drew, 21; Leslee, 19; Kathryn, 17; and Will, 12.

Senator ALEXANDER. And, finally, I would include a copy of the legislation itself from which we might learn some things about developing legislation that involves elementary and secondary schools.

[This legislation is maintained in the subcommittee files.]

[The prepared statement of Senator Alexander follows:]

PREPARED STATEMENT OF SENATOR ALEXANDER

If we have the best colleges, why don't we have the best schools?

One reason is the different way we spend Federal dollars on colleges than on local schools.

Federal funding for colleges follows students. This year $14 billion in "Pell grants" and work study and $52 billion in Federal student loans follow 60 percent of American college students to the institutions of their choice. As a result, colleges compete for students just as they do for research dollars and faculty.

This method of Federal funding for college students began with the GI Bill for veterans in 1944. Pell grants, Stafford loans and other forms of Federal financial assistance followed. Rarely has the taxpayer gotten so much bang for the buck. These Federal vouchers have made it possible for a greater percentage of Americans to continue into higher education than in any other country. Competition for these students, faculty and for $19 billion a year in Federal research dollars is a major reason why Shanghai University's recent list of the 100 best college and universities in the world included 81 from the U.S.

Federal funding for elementary and secondary education has taken just the opposite approach. Instead of allowing tax dollars to follow students to the schools of their parents' choice, the Federal Government gives $35 billion directly to the schools themselves (or to the States, which then give it to schools). Along with these dollars come plenty of Federal and State regulations.

Measured by student learning, rarely has the taxpayer gotten so little bang for the buck. In 1999, 8th grade students in this country were ranked 19th in math and 18th in science among 38 industrialized countries. We continue to be disappointed because Federal dollars do not encourage competition for students, and Federal regulations smother the autonomy of schools.

So why not try in our schools what has worked in our colleges? Why not try "Pell Grants for Kids"?

I propose annual $500 scholarships that would follow every middle- and low-income child in America to the school or other approved academic program of his or her parents' choice. Parents could use these Pell grants to help their schools pay for more English teachers or art programs or after school math sessions—or parents could purchase such lessons or other services that schools don't provide.

Pell Grants for Kids would:

• Provide more Federal dollars for schools with fewer Federal strings;
• Help pay for the requirements of No Child Left Behind;
• Reduce school-by-school inequity in funding;
• Avoid increased Federal regulation of schools as Federal funding inevitably increases;
• Give parents more say and more choice in the education of their children.

Since about 60 percent of all children would be eligible for Pell grants, this could mean quite an infusion of unrestricted dollars. For example, in a middle school of 600, if 400 students were eligible, $200,000 a year in new dollars would allow the school to add teachers, classes, programs—or which the parents could buy from other providers if the school did not offer it.

We should fund Pell Grants for Kids gradually, only with new Federal dollars. No program need be cut. When Congress substantially increases the amount of money for title I (which we have by $4 billion since President Bush took office), instead of giving it directly to schools, let parents choose how to spend it. A new appropriation of $2.5 billion, for example, would provide enough money for every middle- and low-income kindergarten and first grade student to receive a $500 scholarship.

This idea has a long, bipartisan history. In 1979, Democratic Senators Moynihan and Ribicoff introduced legislation that would have made elementary and secondary students eligible for Pell grants. In 1992, when I was U.S. Education Secretary, President George H.W. Bush proposed a "GI Bill for Kids" which would have provided $1,000 scholarships in a pilot program under similar guidelines.

On Thursday, July 15, I will chair a hearing in the Senate Health, Education, Labor, and Pensions Committee exploring how to best write legislation that would establish "Pell Grants for Kids" This fall, I hope to work with interested Members of Congress to write that legislation and introduce it next year.

If letting scholarships follow students to the colleges of their choice helped us build the best university system in the world, then why not use the same idea to help create the best schools?

Senator ALEXANDER. Senator Reed.

OPENING STATEMENT OF SENATOR REED

Senator REED. Well, thank you very much, Mr. Chairman, and I thank you for your efforts in this regard, not just here on the subcommittee, but as the Secretary of Education in a previous administration and president of the University of Tennessee. You bring a thoughtful and very sincere approach to try to deal with the issue that has been, as you indicated in your opening statement, with us for decades now.

One point I would like to make, and you have made it quite succinctly, is that the essence of your proposal is a Federal voucher program. That raises concerns, I think legitimate concerns. Another point I would like to make, and I know you are using this as shorthand because it is such a powerful image, but I think comparing a Pell Grant for higher education with a Federal voucher for elementary and secondary education misses some significant dif-

ferences between the educational experience at college and beyond and elementary and secondary education, and I think it is important to recognize these differences. The most obvious one, of course, is that elementary and secondary education is compulsory. Higher education is not. Routinely, colleges choose who they want to accept based upon different criteria. In any public education system, schools have a mandate to educate every child, and that I think is a profound difference. We also recognize, I believe, that the resources existing today for public education provided at every level, Federal, State, and local, are not sufficient yet to fulfill the higher expectation and the high quality that we all demand.

I think another aspect of this notion of choice is the fact that choice is limited in respect to elementary and secondary education by the fact that you generally are eligible to go to school in the place you live, but not in other places, and if we are talking about real choice for parents, I do not know if this proposal requires every school system to accept every child regardless of where they live. If they do, I think that will be a dramatic change to public education in the United States. But, effectively, every college that considers an applicant under a Pell Grant, I do not believe can discriminate based upon where that person lives in this United States. This is just one example of, I think, the profound differences between higher education and elementary and secondary education, and to make an appealing, but I think perhaps oversimplified, analogy between the Pell Grant or the GI Bill and a Federal voucher program for elementary and secondary education is a disservice as we go forward.

There is also the suggestion that this just goes to the child and that the institutions are sort of passive recipients, they just cash the checks. In fact, we require colleges who participate in the Pell Grant Program to be subject to the Federal civil rights laws, including Title VI of the Civil Rights Act of 1964 which prohibits discrimination on the basis of race, color, and national origin; Title IX of the Education Amendments of 1972 which prohibits sex discrimination; Section 504 of the Rehabilitation Act of 1973 which prohibits discrimination on the basis of disability; Title II of the Americans with Disabilities Act of 1990 which prohibits disability discrimination by public entities whether or not they receive Federal financial assistance; and the Age Discrimination Act of 1975.

One of the aspects of private elementary and secondary education is the right of such schools to make principle choices about who they want to educate because they are private entities. They are not generally required to follow all of these restrictions as are colleges. In addition, we require that institutions of higher education maintain a rather significant infrastructure to monitor all the money that the students bring into them. They have to have rules on fund management they have to follow. They have to demonstrate financial responsibility and administrative capability to handle these funds and other mandates imposed by Congress, many of them in response to examples of fraud that we witnessed. In fact, Mr. Chairman, I think you were Secretary during the many hearings about the abuses of Pell Grants by proprietary schools in particular.

So as a result, again, I think we come to a situation where the analogy might be appealing on the surface, but as you look below, the analogy is not precise and is not compelling. It does represent, I think when you strip away the Pell name, a proposal which has been made before, and there are principle arguments on both sides regarding providing vouchers to private schools by the Federal Government. There is another issue here too, and that is the issue of sectarian schools, and there is a difference, I think, between a college like Providence College, Boston College or Notre Dame educating a student, and an elementary or secondary school with a sectarian curriculum, of which I am a product. There are differences in terms of the educational process and the maturity of the student. There are a host of differences.

And, in fact, the Supreme Court, in validating Pell Grants for religious-based schools, essentially made that distinction. I believe the case is *Hilton* v. *Richardson* where the Court said because the religious indoctrination is not a substantial purpose of the church-related colleges, it is less likely than with primary and secondary schools that you will have a sectarian-driven curriculum. Again, having been a graduate of a Catholic school, I can tell you the nuns were pretty insistent about the curriculum, the doctrine, and the dogma, and that, I think, raises significant issues, Constitutional issues.

Then there is funding. We have talked about these issues, and I appreciate that the Chairman would not present this as a way to take money away from existing programs, but inevitably the money comes from some place. It comes from either additional resources for title I or other existing or any new program, and that is the case if this is a voucher program for Federal funds or it is a proposal to give more money to school libraries. The money has to come from some place.

And just in conclusion, I would point out that Senator Pell had an opportunity to vote on some of these proposals. Senator Hatch proposed an amendment, as did Senator Coats, to create a demonstration program for vouchers, and Senator Pell made the point better than I can make it. He said: "Our scarce Federal resources should be directed to meeting those needs which are particularly acute in our public schools. We must make those schools truly the best in the world."

"Unfortunately, public and private schools do not compete on an even playing field. Public schools must accept all students. Private schools may turn down or expel students with behavior problems, disabilities, or academic problems. The demonstration program proposed by the Senator from Utah will not change that situation and will not, therefore, be a true test of choice."

So again, I think this hearing is more than appropriate. This is an important opportunity to talk about these issues, but I do think, Mr. Chairman, we should begin to call these the Alexander Grants.

Thank you.

Senator ALEXANDER. That is very generous of you, Senator, but I am still a freshman, and what we call the grants is not as important, and as Senator Reed knows, I am calling them Pell Grants for Kids really as a working title out of respect to the former Chairman of the Education Subcommittee here.

I very much appreciate your comments, Senator, and this will be a long discussion. You have made a lot of good points. Thank you for coming by. I will not take the witnesses' time now to go back over those, except to say one thing just for the record.

Your point about Federal regulations that affect civil rights or disabilities is a good point and one which we ought to be thinking about over the next several months. In President Bush's proposal in 1992 for the GI Bill for Kids, it specifically provided that any school or provider of academic services under the Act had to comply with the anti-discrimination provisions of Title VI of the Civil Rights Act of 1964 and Title IX of the Education Amendments of 1972 and Section 504 of the Rehabilitation Act of 1973, which are the disability laws. So I take your point. I think you have made a good point about that and that ought to be thought about.

Now I will give the witnesses who have distinguished backgrounds very brief introductions. In fact, if I do not find the paper, they will be extremely brief.

I will introduce all four of you and then ask you just to testify one after the other.

Michael Bell is Assistant Superintendent for School Choice and Parent Options for Miami-Dade County Public Schools in Miami, FL. Catherine Hill is a parent with the District of Columbia Parents for School Choice in Washington, D.C., whose children have attended schools in the D.C. system. Paul Peterson is Director of the Program on Education Policy and Governance at Harvard University in Cambridge, MA, and has written a great deal about education. He is a professor of government, and he has been a scholar of school choice in this country. Ms. Darlene Allen is the president of the District of Columbia Parent Teachers Associations. She has been a member of the PTA for more than 20 years. She says she became involved in 1996 when she volunteered to become the parent coordinator of her son's junior high school PTA and nobody else wanted the job.

Now, there is much more I could say about each of the four of you, but I would rather let you speak for yourselves in the time you have available. So why don't we start with you, Mr. Bell.

STATEMENT OF MICHAEL BELL, ASSISTANT SUPERINTENDENT FOR SCHOOL CHOICE AND PARENT OPTIONS, MIAMI–DADE COUNTY PUBLIC SCHOOLS

Mr. BELL. Thank you, Senator Alexander.

As you said in the introduction, my name is Michael Bell, Assistant Superintendent of Miami-Dade County Public Schools, accountable for school choice and parental options in the fourth largest school district in the Nation. I appreciate the opportunity to appear before you today and share my experiences undertaken to provide students with the opportunities to access educational venues that more appropriately match their interests and abilities. These options reflect not only special programs, but schools that have proven more effective in nurturing successful students.

It is my particular endeavor to reach out and encourage those students that require guidance in making their aspirations a reality. I am enthusiastic about the possibilities that the Pell Grant for Kids entails in enhancing the prospects of struggling individual

students and the realization of the educational vision of our Nation.

The Pell Grant for Kids is an opportunity to successfully provide appropriate and effective academic experiences for the astounding 60 percent of school-age children whose family income is below the State median level. In the State of Florida, the percentage of school-age children from low-income families is 68 percent. The disparity between the academic performance of this group, primarily minority children, and their wealthier peers is gradually increasing.

Robert F. Ferguson, writing in the May 2004 "Phi Delta Kappan" warns that "achievement disparities among today's students foreshadow socioeconomic disparities among tomorrow's families and melee the foundation for a politically dangerous future of our society." Decades of intervention with Federal funding to the school systems accompanied by controls have proven inadequate. The Pell Grant for Kids model is generated by the significantly successful Pell Grant for college students and addresses the same factors.

Empowering middle- and low-income children to emulate wealthier families in enrolling in institutions of their choice stimulates not only the students, but prompts the schools to be more effective as a consequence of the competition for increased funding due to Pell Grant enrollment.

In 1998, Miami-Dade created an administrative division designated as school choice and parental options to assist parents in navigating the broad range of possibilities being offered. This department evaluates, implements, and analyzes programs under its aegis, assisting parents in accessing an appropriate placement for their child. It also develops new concepts in response to identified needs and encourages community involvement. In so doing, school choice and parental options is closing the achievement gap between the children of affluent parents and those of the low socioeconomic group. This was also documented in our school district's choice achievement report last year.

The money from the Pell Grant for kids would allow each recipient to facilitate his or her participation in a program or a school of choice. While enrollment does not hinge on a financial requirement, other factors such as a need for tutoring to enhance substandard skills in order to survive a more challenging academic setting, the purchase of uniforms, payment of fees for after-school enrichment programs, and enrollment in intensive language programs, purchase of devices such as calculators or musical instruments, computers with Internet access, and the list goes on and on, all of these draw from discretionary funds that are not available in lower-income households. These factors are inherent in the success of the more affluent students and add to the disadvantage of the struggling child.

Furthermore, exercising the right to enroll in a school of choice often entails accepting responsibility for transporting students by the parents. This cost often precludes consideration for such opportunities.

A Pell Grant for kids would diminish or eliminate many of the above hindrances and make a more level playing field for all of our children. We cannot know how many capable, diligent, and even

gifted children have been confined to a minimal realization of their potential, denying the individual and our Nation of the possibilities of great achievement. A Pell Grant for Kids could be instrumental in dramatically re-writing the future of a particular student and through him or her the society that he or she will impact throughout life.

A dramatic example of intervention of this sort is illustrated in the experience of the 2003 valedictorian of North Miami Beach Senior High School. North Miami Beach has a biomedical environmental studies magnet program in which this student was excelling her peers. The faculty noticed that she remained at school every evening until as late as she was allowed to in order to access the Internet. She was a member of an impoverished household that could not afford a computer. Due to time limitations, she was unable to inform herself to the extent her classmates did with their own home computers and began falling behind. Distressed by this development, the teachers took up a collection and purchased a secondhand computer for her to use at home, which proved critical to her ultimate academic triumph.

This student was both deserving and fortunate. Fortunate, however, is not an acceptable component of our educational system. If we help to avoid the worst case scenario of a future comprised of a significant proportion of low socioeconomic families draining our resources and threatening our security, we must empower today's students to access the most effective education possible.

And I know that my time is up, and I would like to thank you for that, and you can read my full testimony which is on record.

[The prepared statement of Mr. Bell follows:]

PREPARED STATEMENT OF MICHAEL BELL

I am Michael Bell, Assistant Superintendent of Miami-Dade County Schools, accountable for School Choice and Parental Options in the fourth largest school district in the Nation. I appreciate the opportunity to appear before you today and share my experiences undertaking to provide students with opportunities to access educational venues that more appropriately match their interests and abilities. These options reflect not only special programs but schools that have proven more effective in nurturing successful students. It is my particular endeavor to reach and encourage those students that require guidance in making their aspirations a reality. I am enthusiastic about the possibilities that The Pell Grant for Kids entails in enhancing the prospects of struggling individual students and the realization of the educational vision of our Nation.

The Pell Grant for Kids is an opportunity to successfully provide appropriate and effective academic experiences for the astounding 60 percent of school age children whose family income is below the State median income. In the State of Florida, the percentage of school age children from low income families is 68 percent. The disparity between the academic performance of this group, primarily minority children, and their wealthier peers is gradually increasing. Robert F. Ferguson writing in the May 2004 Phi Delta Kappan warns that achievement disparities among today's students foreshadow socioeconomic disparities among tomorrow's families and may lay the foundation for a politically dangerous future of our society. Decades of intervention with Federal funding to the school system accompanied by controls have proven inadequate. The Pell Grant for Kids model is generated by the significantly successful Pell Grant for college students and addresses the same factors. Empowering middle- and low- income children to emulate wealthier families in enrolling in institutions of their choice stimulates not only the students but prompts the schools to be more effective as a consequence of the competition for increased funding due to Pell Grant enrollment.

The 1971 school desegregation order prompted Miami-Dade County Public Schools to create a magnet school program which offers a wide range of school options that have been successful in diminishing concentrations of low-income students and im-

proving student achievement. Federal funds originally made available to effect desegregation have largely diminished in availability. Programs such as Schools of Choice are one of the first to be impacted by challenges to the school budget. The Pell Grant for Kids would address this situation.

Our magnet program today is comprised of 70 magnet programs. Educational options have been expanded to include 31 charter schools, 16 controlled choice schools, two satellite schools hosted by major employers on their sites, and a Voluntary Public School Choice program, "I Choose!". There are currently 13 "I Choose!" schools operating in the system that offer parents unique programs and facilities that mitigate toward higher student achievement. As of the 2004–2005 school year, approximately 14 percent of the total school population are participating in public school choice. The success of Miami-Dade County School Choice programs was recognized by the United States Department of Education, when it selected it as one of the top five school districts in the country. In 1998 Miami-Dade created an administrative division designated as School Choice and Parental Options to assist parents in navigating the broad range of possibilities being offered. This department evaluates, implements, and analyzes programs under its aegis, assists parents in accessing an appropriate placement for their child, develops new concepts in response to identified needs, and encourages community involvement. In so doing, School Choice and Parental Options is closing the achievement gap between the children of affluent parents and those of the low economic group which was documented in the district's Choice Achievement Report 2003.

According to a study by Gary Orfield and Susan E. Eaton published in 1996, the actual benefits to low achieving students enrolled in schools serving a more affluent population "come primarily from access to the resources and connections of institutions that have always received preferential treatment, and from the expectations, competition and values of successful middle-class educational institutions that routinely prepare students for college." These findings would suggest that enabling students from financially disadvantaged families to enroll in schools of choice rather than those that reflect the environment of their residences is of critical importance. Supporting this position is research done in 1994 by Amy Stuart Wells and Robert Crain in the St. Louis metropolitan area in which it was determined that 24 percent of all students enrolled in central city public schools graduated from high school contrasted with 50 percent of their fellow students attending suburban schools.

The money from the Pell Grant for Kids would allow each recipient to facilitate his or her participation in a program or school of choice. While enrollment does not hinge on a financial requirement, other factors such as a need for tutoring to enhance substandard skills in order to survive in a more academically challenging setting, purchase of uniforms, payment of fees for after school enrichment programs, enrollment in intensive language programs, purchase of devices such as calculators or musical instruments, computers with Internet access, etc. draw on discretionary funds that are not available in lower income households. These factors are inherent in the success of the more affluent students and add to the disadvantage of the struggling child. Furthermore, exercising the right to enroll in a school of choice often entails accepting the responsibility for transporting students by the parents. This cost often precludes consideration of opportunities. A Pell Grant for Kids would diminish or eliminate many of the above hindrances and make more level the playing field for all of our children.

We cannot know how many capable, diligent, and even gifted children have been confined to a minimal realization of their potential denying the individual and our Nation the possibilities of great achievement. A Pell Grant for Kids could be instrumental in dramatically rewriting the future of a particular student and through him or her, the society that he or she will impact throughout life. A dramatic example of intervention of this sort is illustrated in the experience of the 2003 Valedictorian of North Miami Beach High School. North Miami Beach has a Bio-Medical/Environmental Magnet Program in which this student was excelling her peers. The faculty noticed that she remained at school every evening until as late as she was allowed in order to access the Internet. She was a member of an impoverished household that could not afford a computer. Due to time limitations, she was unable to inform herself to the extent that her classmates did with their home computers and began falling behind. Distressed by this development, her teachers took up a collection and purchased a secondhand computer for her to use at home which proved critical to her academic triumph. This student was both deserving and fortunate. "Fortunate" is not an acceptable component of our educational system.

CONCLUSION

If we hope to avoid the worst case scenario of a future comprised of a significant proportion of low socioeconomic families draining our resources and threatening our security we must empower today's students to access the most effective education possible. Our history of funding schools to accomplish this goal has proven a failure. The Pell Grant for Kids is a realistic and positive response that will impact both the individual's prospects as well as those of our Nation. It has a proven history of effectiveness and addresses the very factors that underlie the failures in our current proposals and responses. Thank you very much.

Endnotes:

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Amy Stuart Wells and Robert E. Grain, Stepping Over the Color Line: African American Students in White Suburban Schools, (New Haven: Yale University Press, 1997).

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Senator ALEXANDER. Thank you, Mr. Bell, for your testimony. I have read it, and I look forward to talking with you more.

Ms. Hill, thank you for being here. If you could pull the microphone up close to your mouth, we will hear you better.

STATEMENT OF CATHERINE LUCILLE BROOKS HILL, D.C. PARENTS FOR SCHOOL CHOICE

Ms. HILL. Good morning. My name is Catherine Hill. I was born October 5, 1937 in Prince George's County, Maryland. My parents named me Catherine Lucille Brooks. I was eighth of eleven children.

When I was 4 years old, my family moved to Railroad Avenue in Southeast D.C. I then began school at Van Ness Elementary and went on to Langley Junior High School and on to Cardozo. Before I graduated in 1954, the Supreme Court *Brown* v. *Board of Education* ruling was made, and because of integration, I transferred to Eastern High School where I later graduated.

In 1958, at the age of 19, I married my husband James. My first daughter, Janice, was born later that year. In 1962, my son James was born. In 1963, my daughter Dana was born.

In 1963, my daughter Janice started school. This is the time I began looking for ways my children could get a better education. I looked into scholarships, but at that time, there were not many options. When my daughter entered the 7th grade, I was able to obtain a scholarship so she could attend Potomac private school in McLean, Virginia. After all my children were in school, I worked various jobs to bring in extra income. I also volunteered at various places, including my children's schools. I volunteered at Cooperative Play Program from the District of Columbia Recreation Center, Dunbar High School, Park View Elementary and Nativity.

In 1984, I took on the responsibilities of raising my oldest grandson, Keith, and in 1989, I started raising Kenneth. Both are sons of my youngest daughter. In 1988, I enrolled Keith in Park View

Elementary School. At that time, the school was not progressing along with education standards. So I transferred him to Noyes Elementary School. After completing 1 year there, I transferred him to Option Public Charter School.

My youngest grandson, Kenneth, entered his boundary school, which was Park View Elementary, from kindergarten to 2nd grade. During his 2nd grade year, I applied for a Washington scholarship. After 2nd grade, Kenneth was granted a scholarship and he entered into Nativity Catholic School. Kenneth graduated in June of 2004, and he will be attending Archbishop Carroll High School in the fall.

I am now also raising a niece and nephew, Eric and Erica Brooks. I enrolled them at Park View Elementary School, and their grades were average. So I decided to apply for the D.C. K–12 scholarship so they could receive a better education. Through the grace of God, our Lord and Savior, I was blessed to receive a full scholarship for both children. I was one of the parents that fought for this scholarship program to receive funding for the quality education they needed and deserved.

In conclusion, I feel that my work is not done because I am presently still speaking on behalf of the D.C. scholarship program. Our schools today are failing us. Our children are being left behind. Not only just the teaching part, also, the buildings are deteriorating, and when children leave home from a place that is not adequate and they go into a building and they see the same thing, they have no incentive to learn. We must make sure all of our children get a decent education so they can go on and live productive lives and take care of their families in a way that their parents are not able to do as of now.

Thank you.

[The prepared statement of Ms. Hill follows:]

PREPARED STATEMENT OF CATHERINE LUCILLE BROOKS HILL

I was born on October 5, 1937 in Prince George's County Maryland. My parents named me Catherine Lucille Brooks. I was the eighth of eleven children. When I was 4 years old, my family moved to Railroad Avenue in Southeast D.C. I then began school at Van Ness Elementary. I went onto Langston Junior High School, then to Cardozo High school. Before I graduated, the 1954 Supreme Court *Brown* v. *Board of Education* ruling was made and because of integration, I was transferred to Eastern High school where I later graduated.

In 1958 at the age of 19, I married my husband James Allen Hill. My first daughter, Janice Hill was born later that year in 1958. In 1962, James L. Hill and in 1963 my youngest daughter Dana Hill was born. In 1963, my daughter Janice started school. At this time, I began looking for ways my children could get the best education. I looked into scholarships, but at that time there weren't many options. When my daughter entered the 7th grade I was able to attain a scholarship so she could attend Potomac Private School in McLean, Virginia.

After all of my children were in school, I worked various jobs to bring in extra income. I also volunteered at Cooperative Play Program for the Department of Recreation, Dunbar High School, Park View Elementary School and Nativity Catholic School.

In 1984, I took on the responsibility of raising my oldest grandson, Keith Hill and in 1989, I started raising my youngest grandson, Kenneth Hill. In 1988, I enrolled Keith into our neighborhood school, Park View Elementary School. At that time I believed Keith needed more one-on-one help with reading and math skills and smaller classes. As a way to help my grandson to improve in his education I enrolled him into Noyes Elementary School and the following year he went to Options Public Charter School.

My youngest grandson, Kenneth Hill, attended Park View Elementary from grades kindergarten to 2nd grade. After 2nd grade, Kenneth was granted a scholarship and I enrolled him into Nativity Catholic School in June 2004. He will be attending Archbishop John Carroll High School in fall 2004.

Now I am also raising my niece and nephew, Erica and Eric Brooks. I enrolled them in Park View Elementary School and their grades were average. So I decided to apply for the D.C. K–12 Scholarship so they could receive a better education. Through the grace of God our Lord and Savior I was blessed to receive a full scholarship for both children. I was one of the parents who fought for this scholarship program to receive funding for the quality education that I feel that all children deserve.

In conclusion, I feel that my work is not done, because I am presently speaking on behalf of the D.C. K–12 Scholarship Program.

Senator ALEXANDER. Thank you, Ms. Hill.

Dr. Peterson.

STATEMENT OF PAUL E. PETERSON, HENRY LEE SHATTUCK PROFESSOR OF GOVERNMENT, DEPARTMENT OF GOVERNMENT, HARVARD UNIVERSITY

Mr. PETERSON. Senator Alexander, thank you very much for inviting me here today, and I hope that you will insert in the record the statement that I have handed to the subcommittee.

Senator ALEXANDER. I have in your case and in each case.

Mr. PETERSON. The American educational system today needs three key reforms: transparency, accountability, and choice. These three, Senator, these three, transparency, accountability, and choice, and the greatest of these is choice—I think somebody by the name of Paul said something like that before.

Anyhow, the greatest of these is choice. We have moved forward in the transparency and accountability areas, and there are real signs that progress is being made as a result of No Child Left Behind, but we now need to put the third leg of the reform stool into place. We need to provide genuine choice for our families in the way that we have at the college level. The U.S. system of higher education is the envy of the world, and in large part, that is due to the fact that students have a broad range of college choice.

I just talked with somebody from Germany the other day, and students are assigned to their colleges there. Our students are not assigned to college. You have a choice, and that is just a tremendous fact.

Now, it is the case that the higher education system in this country is not perfect. There are lots of ways it can be improved, but the problems in elementary and secondary schools are so deeply rooted that we really have to look for bold new initiatives to address them. It is quite striking that the United States once led the world in high school graduation rates. We were the world's leader. Today, we are the average industrialized country. You look at the OECD average, and that is where the United States is in high school graduation rates, and the graduates trail the world's leaders in math and science by as much as four grade levels, and there has been very little improvement over the last 35 years.

We are hardly any better today in reading and math, according to the NAPE, than we were in 1970. We are not getting better. We are stagnating.

So, Senator, you are really to be congratulated for proposing Pell Grants for Kids, because this is a program that reminds everybody

that we can do at the elementary and secondary education level some things that could do what the GI Bill, the Pell Grants, students loans have done for higher education. Now, as you pointed out, it is unfortunate that when the Elementary and Secondary Education Act was put into place in 1965, that the money was directed to the schools and not to the students. I am a member of the independent review panel for title I, this law, currently, and I just listened to a review of all of the studies of title I programs, and the main conclusion that was presented to our panel was there was no evidence, no evidence, that the program has had any positive effect on student learning. In other words, our title I dollars are not being used effectively.

So we really need to think about whether we are going to use any additional title I dollars in the old traditional way or move on to new, more creative approaches such as you are doing and whether we want to reconsider how we allocate some of our existing ones to make them more effective, and I think both of these things should be thought about as we move forward building on the proposal you have made as the legislation is constructed.

We know that choice is effective. We just found out that in Chicago, the choice that is occurring under NCLB is having very positive effects on the students in the program and the students in the public schools from which these students came. So you bring competition and you are seeing improvements already in the one city we have been able to get some good measures on what is going on. And we know that the voucher programs that have been tried out there are having major effects for African American students, so that in over a 3-year period of time, they are gaining one to two grade levels beyond what they would otherwise achieve.

So there is evidence out there that school choice can make a difference. Furthermore, there is evidence that the traditional public schools when they face competition respond positively to that competition. I will not go into the details, but they are in the record.

Pell Grants should be given to States and districts that provide meaningful choice for students. The choice could be choice within the district, between districts, magnet schools, charter schools ideally, including private schools as well. So the biggest bang for the Pell Grant buck can be done by asking States to come up with meaningful choice programs.

Let me also say, in conclusion, that if States were asked to come up with a matching grant for at least a portion of the Pell Grant idea, you could get even bigger bang for the buck. Right now, Pell Grants as you propose them are running about 5 percent of the average cost of schooling. That is significant. That is not trivial, but, you know, if you could figure ways to move it to 10 percent, you could get change even more rapidly.

So thank you very much. I wanted just to comment slightly on the questions as to whether or not higher education is really different from elementary and secondary education, and it is true elementary and secondary education is compulsory, although not all the way through high school. It is not. The very fact that it is compulsory means it is all the more important to give choice to families; and, second, at the college level, colleges do discriminate on the basis of where you live. If you live within a State, you pay

lower tuition than if you come in from out of State. So you can still have a choice-based system that gives preferences to people who are in the immediate environment. And, finally, of course, any kind of choice-based program has got, as you suggested, has got to be designed in such a way as to not include provisions that would allow recipients of these Pell Grants to discriminate. So I think that is a very cautionary word.

Thank you very much.

[The prepared statement of Mr. Peterson follows:]

PREPARED STATEMENT OF PAUL E. PETERSON

America's public schools today are in need of three key reforms: transparency, accountability and choice.[1]

Transparency and accountability are rapidly being put into place by No Child Left Behind, the most important piece of Federal education legislation in over 30 years. Schools are becoming more transparent in that every school must report its students average math and reading scores. Accountability is on the rise, because those schools that consistently fail to perform must give parents the opportunity to obtain extra services or attend a public school elsewhere. If a school does not improve, it must be reconstituted.

Research shows that these reforms are beginning to work. Those States that were the first to introduce accountability are making more rapid gains on the Nation's report card, the National Assessment of Educational Progress (NAEP).[2] Those places with the strongest accountability systems are particularly effective. The evidence from Chicago and Florida is particularly compelling.[3]

Now the third leg of reform needs to be put into place—genuine school choice for families comparable to the college choice that students in the United States have long enjoyed.

The U.S. system of higher education is the envy of the world, drawing students from across the globe to one of its thousands of excellent teaching and research institutions. In most countries, government money flows to the universities, not to the students. But in the United States, much of the Federal and State money either flows directly to students—either directly through grants or loans or by conditioning aid upon college enrollments. Because students have a broad range of college choice, the country enjoys a dynamic, constantly improving system.

Sure, one can find problems in higher education. But the problems in elementary and secondary education are more deeply rooted. The United States once led the world in high school graduation rates. Today, we do no better than the average industrialized country. Nor do the high-schoolers who remain achieve excellence. On the contrary, they trail the world's leaders in math and science by as much as four grade levels. Neither has there been much improvement over the past 35 years. Although some gains have taken place recently, as late as 2000, U.S. students were doing no better on the NAEP than they did in 1970.[4]

Senator Alexander is thus to be congratulated for proposing Pell Grants for Kids. Under his innovative program, monies would be given directly to low and moderate income families to be directed to the school their child attends, to be spent on school tuition, or to be used for extra school services.

By giving the money to families, the program is designed along the same lines as many Federal programs in higher education. Beginning after World War II, and continuing down to the present, the Federal Government, by means of such student-choice programs as the GI Bill, Pell Grants, and student loans, created a dynamic

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[1] Koret Task Force on K–12 Education, "Findings and Recommendations," In Paul E. Peterson, ed., Our Schools and Our Future (Hoover, 2003), pp. 3–24.

[2] Eric A. Hanushek and Margaret E. Raymond, School Accountability and the Black-White Test Score Gap," Paper presented before the Conference on "Fifty Years after Brown: What Has Been Accomplished and What Remains to Be Done," Program on Education Policy and Governance, Harvard University, April 23–24, 2004. Revised version to be published in Paul E. Peterson, The Next Generation (Brookings, forthcoming).

[3] Brian A. Jacob, "A Closer Look at Achievement Gains Under High-Stakes Testing in Chicago," in Paul E. Peterson and Martin R. West, No Child Left Behind (Brookings 2003); Jay P. Greene and Marcus A, Winters, "Competition Passes the Test," Education Next ((Summer 2004) 66–71.

[4] Paul E. Peterson, "Ticket to Nowhere: School Achievement Remains Minimal," Education Next III (Spring 2003), 39–46. Paul E. Peterson, ed., Our Schools and Our Future (Hoover, 2003).

higher education system, and, at the same time, provided greater college access to students with limited resources.

Unfortunately, Federal efforts to improve the lower tiers of American education were not designed in the same way. Instead of giving choice to low-income parents, Title I of the Elementary and Secondary Education Act directed funding toward school districts. The results have been very disappointing. As a member of the Independent Review Panel for Title I, I have recently had the opportunity to listen to a review of the major studies of the compensatory education program. The main conclusion presented to our panel: There is no evidence that the program has had any positive effect on student learning.

Using title I dollars to fund Pell Grant for Kids would put these valuable dollars to a more constructive purpose. Research shows that where parents have a choice, their children, especially the disadvantaged ones, learn more. For example, students in Chicago who are exercising choice under NCLB are scoring higher on the tests of achievement in that city. Nationwide, African American students who attend private schools do better than equivalent students in public schools. And a variety of studies show that African American students who receive vouchers do better than their peers who remain in public schools.

Research has also shown that students in traditional public schools do better, if that school faces competition. When students have the option of attending a charter school or receiving a voucher, or even if there is the possibility of a voucher opportunity, traditional public schools respond positively to the competition.[5] In short, Pell Grants for Kids can build on the successes of existing school choice programs.

For Pell Grants to stimulate the choice and competition that American education needs, States and school districts need to offer parents meaningful school choices. That choice should involve a choice of public schools within the district, a choice of schooling among school districts, a choice among numerous charter schools, and, ideally, a choice of private schools. By conditioning Pell Grants for Kids on providing the same kind of meaningful choice in elementary and secondary education as exists in higher education, this program will give States and school districts strong incentives to reform the Nation's schools.

Senator Alexander proposes that the size of Pell Grants be initially set at $500, about 5 percent of the average cost of schooling in the United States today (which is now roughly $10,000 a year). Even this modest amount could have a large initial impact.

An even larger impact could be obtained, if the Federal Government were to fund the program at about 10 percent of the total cost of schooling, about the same level as the Federal Government funds elementary and secondary schooling more generally. And a still larger impact could be obtained, if the program asked participating States to match the Federal dollars.

Whatever the initial amount, these new Pell Grants should increase at the same rate the cost of schooling increases. The income limit should rise annually at the same rate as average household income rises. And the amount that parents receive should phase out gradually so as not to discourage families from remaining economically productive.

American education today is beginning to have the transparency and accountability that it desperately needs. Properly designed, Pell Grants for Kids can provide meaningful school choice, the school reform stool can acquire its badly needed third leg.

Senator ALEXANDER. Thank you, Dr. Peterson.

Ms. Allen, welcome.

STATEMENT OF DARLENE ALLEN, PRESIDENT, DISTRICT OF COLUMBIA PTA

Ms. ALLEN. Good morning. As president of the District of Columbia PTA, I am here representing National PTAs 6 million members as well as the parents, teachers, school administrators, and other child advocates that make up the District of Columbia. Before I begin my testimony, I want to thank you, Chairman Alexander, Ranking Member Dodd, and the other members of the subcommit-

[5] For a review of this research, see William G. Howell and Paul E. Peterson, with Patrick J. Wolf and David E. Campbell, The Education Gap (Brookings, 2002).

tee for inviting me here today to address Senator Alexander's proposal.

The PTA has always supported increased funding for education, especially funding targeted to assist low- and middle-income students. We have also long supported Pell Grants for college students. These grants allow many students who could not otherwise afford it to pursue higher education; however, I believe that Senator Alexander's proposal, despite its name, does not operate like a true Pell grant and will hurt rather than assist the intended beneficiaries. The original Pell Grant program is the largest needs-based Federal post-secondary student financial aid program administered by the U.S. Department of Education. It was designed to increase enrollment of low-income students by providing them with the financial means to achieve their dreams of post-secondary education. If the program did not exist, tens of thousands of students throughout the country would not be able to afford college, and when I was coming through college, I used the BEOG grants that were in place. So I was a recipient.

Senator Alexander's initiative, however, is not needed to increase public education and elementary and secondary school enrollment. Unlike higher education, elementary and secondary school education in this country is both compulsory and free. No incentives are needed to encourage enrollment. As such, Senator Alexander's initiative is simply a voucher program, a program I have come to know well as the president of the District of Columbia PTA and a program that the D.C. PTA and National PTA strongly oppose because of the negative impact that it has on public education. When it was first debated, the D.C. and National PTA opposed the D.C. voucher program for the following reasons: Public funds should be used for public education. There is no evidence that vouchers increase student achievement. Vouchers undermine public accountability. And vouchers do not expand parents' educational choices because the choice lies in the hand of the private schools's admissions policies; and students with limited English language proficiency and students with disabilities, there is the possibility that these students will be discriminated against. We opposed vouchers then and we oppose vouchers now no matter what form they may come in or by whatever name they are called.

Senator Alexander's voucher program raises many of the same concerns that the D.C. Federal program raised. In just its first year, the program would divert up to $2.5 billion of scarce public funds away from the public schools and title I programs. In the following years, the cost of this program rises to a staggering $15 billion a year. The $500 vouchers that would be provided under the program are not required to be spent on public school programs. Instead, families would be allowed to use the money for any type of public or private academic expense, including child care, music lessons, or art supplies. While all of these areas are important, the proposal fails to address the true financial crisis facing public schools.

And I might add, in the District of Columbia, even though lower-income families may not be able to afford instruments and that sort of thing, there are numerous programs throughout the city and have always been. We have the D.C. Youth Orchestra Program, the

D.C. Youth Chorale Program, arts programs that have always been available to our students. It is just a matter of parents learning about the opportunities and taking advantage of the opportunities.

And I see that my time is getting short and you have the testimony that we have here. So I just wanted to comment on a couple of things with the colleges, and although the colleges, as you have stated, Dr. Peterson, have discrimination between in-State and out-of-State tuition, they do not discriminate. I mean, if you are able to pay via having loans, having grants, if you are admitted by their criteria, you are still able to become a student in the particular college through the system, albeit paying a higher fee.

Thank you.

[The prepared statement of Ms. Allen follows:]

PREPARED STATEMENT OF DARLENE ALLEN

Good morning. As president of the District of Columbia PTA, I am here representing National PTA's 6 million members, as well as the parents, teachers, school administrators, and other child advocates that make up the District of Columbia PTA.

Before I begin my testimony, I want to thank Chairman Alexander, Ranking Member Dodd, and the other members of the subcommittee for inviting me here today to address Senator Alexander's proposal.

The PTA has always supported increased funding for education, especially funding targeted to assist low- and middle-income students. We have also long supported Pell Grants for college students. These grants allow many students who could not otherwise afford it, to pursue higher education. However, I believe that Senator Alexander's proposal, despite its name, does not operate like a true Pell Grant and will hurt, rather than assist, the intended beneficiaries.

The original Pell Grant program is the largest needs-based Federal postsecondary student financial aid program administered by the U.S. Department of Education. It was designed to increase enrollment of low-income students by providing them with the financial means to achieve their dreams of postsecondary education. If the program did not exist, tens of thousands of students throughout the country would not be able to afford college.

Senator Alexander's initiative, however, is not needed to increase public elementary and secondary school enrollment. Unlike higher education, elementary and secondary education in this country is both compulsory and free. No incentives are needed to encourage enrollment. As such, Senator Alexander's initiative is simply a voucher program—a program I have come to know well as President of the District of Columbia PTA, and a program that D.C. and National PTA strongly oppose because of the negative impact it has on public education.

When it was first debated, the D.C. and National PTA opposed the D.C. Federal voucher program for the following reasons: public funds should be used for public education; there is no evidence that vouchers increase student achievement; vouchers undermine public accountability; vouchers do not expand parents' educational choices because the choice lies in the hands of the private schools' admission policies; and vouchers discriminate against children with disabilities and students with limited English proficiency. We opposed vouchers then and we oppose vouchers now, no matter what form they may come or by what name they are called.

Senator Alexander's voucher program raises many of the same concerns that the D.C. Federal voucher program raised. In just its first year, the program would divert up to $2.5 billion of scarce public funds away from public schools and title I programs. In the following years, the cost of this program rises to a staggering $15 billion a year.

The $500 vouchers that would be provided under the program are not required to be spent on public school programs. Instead, families would be allowed to use the money for any type of public or private academic expense, including childcare, music lessons, or art supplies. While all of these areas are important, the proposal fails to address the true financial crisis facing public schools.

This year alone, programs authorized under the No Child Left Behind Act are underfunded by more than $9 billion. Programs authorized under the Individuals with Disabilities Education Act are underfunded by more than $11 billion. If new money is available, we strongly recommend that it be allocated to funding No Child Left Behind programs and requirements and IDEA programs and requirements, rather than to an experimental voucher program such as this one.

Senator Alexander's initiative will not only divert new money from public education, full implementation of this program will clearly lead to cuts in existing programs. While proponents of the program have claimed that the annual expense of $15 billion could be achieved without cutting existing programs, that is difficult to believe given the swelling deficits faced by the Federal, State, and local governments, increased costs associated with implementation of the No Child Left Behind Act, inflation, and population increases.

Senators, when you passed the No Child Left Behind Act, it was stated that one of your primary reasons for doing so was to make schools accountable. Yet, in addition to the huge cost, and unlike education programs funded by real Pell Grants, Senator Alexander's voucher program would directly undermine that accountability. Polling data indicate that a majority of Americans believe that private schools that accept government funds should be accountable in the same way as public schools. Public schools and higher education institutions funded by real Pell Grants are held to rigorous eligibility requirements. Yet, as with other voucher programs, the private programs receiving funds under this initiative would likely not be held to the same strict NCLB requirements and accountability measures that apply to public schools.

In addition, while the $500 scholarships that would be provided under Senator Alexander's proposal are clearly Federal aid, applicable Federal civil rights laws that prohibit discrimination based on race, disability, and gender will be virtually unenforceable. Under this proposal, there are no clear mechanisms for the Federal Government to monitor the civil rights compliance of entities receiving funds under this program, and it will be impossible for the Federal Government to determine whether private schools and institutions receiving these Federal funds are avoiding compliance with Federal civil rights laws and engaging in discriminatory policies or practices.

I also believe that this program will hinder, rather than help, even those public schools receiving funds. Under the program, parents would designate by June 1 of each year a public or private school or other academic program to be the recipient of the funds, which would be transferred by the U.S. Department of Education by August 1 for use during the school year. Accordingly, local school districts would not learn of the available amount until funds were in hand, rendering appropriate budgeting, hiring, facilities management, and other planning processes impossible.

Lastly, this program is being touted as offering parents more power to improve schools. Yet, without any requirements that the money be spent on public school programs, this power is meaningless. If you truly want to give parents more power, then provide our Nation's public schools with adequate funding designed to help all children.

Fully fund the No Child Left Behind Act so that class sizes can be reduced, teacher quality improved, and deteriorating schools mended and modernized. If children are entering kindergarten unprepared, support early childhood education programs that are aligned with school-readiness standards. If students need extra assistance to meet high academic standards, provide expanded learning opportunities and on-site before- and after-school. If parents need help improving their children's schools, support programs that promote and facilitate parent involvement.

The Senate has repeatedly rejected vouchers in the past, and should do so again. Please do not be fooled by the lingo. This proposal is an expensive diversion from the real challenges facing our schools today. Voucher programs such as this one, even when called by a different name, will do nothing to help our Nation's public schools. The only way to ensure that every child has an equal and valuable education is to invest and improve our public school system.

Thank you for your commitment to our children, and for giving me this opportunity to share my concerns. I would be happy to respond to any questions.

Senator ALEXANDER. Thank you very much, Ms. Allen.

Let me thank all four witnesses for excellent testimony, excellent statements, and I think we will go for a few minutes with this panel for questions.

Let me go back, Dr. Peterson, if I may. First, let me ask you this: Would you consider the GI Bill Scholarships for Veterans a voucher?

Mr. PETERSON. It looks very much like a voucher program. The money goes to the student and the student has a choice of school, wherever they want to go.

Senator ALEXANDER. Would you consider the Pell Grant for college students a voucher?

Mr. PETERSON. Yes.

Senator ALEXANDER. Mr. Goldberg said in his article that when Congress created the GI Bill for veterans in 1944 that they gave, the Administration, the program to the Veterans Administration and that created consternation among the higher education institutions who wanted Congress to give the money to the institutions. Dr. Goldberg also says later on that: "The decision by Congress to finance the GI Bill to the students themselves rather than through the Government bureaucracies or higher education was a crucial and lasting decision. It was a centralized entitlement and voucher program that was based on a decentralized market approach irrespective of financial need or previous educational status."

You have been a scholar of American education. Can you tell us anything more about the controversy that might have existed at the end of World II or the time that Pell Grants were created and why did Congress at that time decide to give the money to the students rather than to the educational institutions? How did that happen?

Mr. PETERSON. Well, Senator, I am not an expert on the history of higher education. So I do not know all of the details, but my sense of it was there was a big issue as to whether the money should go to public universities or to private universities. The issue of church and State was out there just as it is today, and this was a solution to that problem. Congress did not have to get into the question of which colleges should get how much money. You just would give it to the students and let them decide. It was really remarkable. It was so far ahead of its time that you wonder how something like that can get through the legislative process, but they were as creative then as you are today, Senator.

Senator ALEXANDER. Well, thanks for that, but it may have just been an accident. It may have been that no one thought about it at the end of World War II, and they just said here come the veterans, let us give them the money, and the rush to do that was so powerful that they did. There were no, as I understand the record, there were no serious restrictions on the educational institutions that the veterans could choose among, and many veterans went to vocational schools. Many did not have high school degrees. Many took their GI Bill for Veteran Scholarships and went to Catholic high school. So we did have in this country right after World War II thousands of high school students who used Federal vouchers to attend Catholic schools. I guess the interest in helping and gratitude for the returning veterans was such that it overwhelmed that.

I am going to do a little more studying on what we call the Pell Grants. That was a very fundamental decision that Congress made in 1960s and 1970s not to give the money to Harvard University or the University of Tennessee or Yoshiva. They gave the money to the students and said you apply to Harvard, you apply to the University of Tennessee, you go to Howard if you choose. And I can recall as president of the University of Tennessee it never occurred to me to come to Congress and say, I sure hope you do not appropriate any new money for Pell Grants because someone might go to Fisk or someone might go to Vanderbilt or someone might go to

Harvard. That never occurred to me, and I know that in talking to some United States Senators, it never occurred to them that the Pell Grant is a voucher. I wondered how we got from such a single-minded attitude toward higher education to such a different attitude toward K through 12.

Mr. PETERSON. Well, the interesting thought that your comments suggest is that once you give people choice, you can never take it away. So even if it happened as an accident at the beginning, once it was put in place, it was unthinkable to do it any other way in higher education. So Congress kept expanding and expanding with Pell Grants and student loans and so forth, and I think that is what would happen with your proposal. If your proposal were put into effect, it would never go away because people love choice.

Senator ALEXANDER. I have one other question for you. Congress appropriated—actually, the only argument we had this year was about how much money to spend on it. Everybody was competing to see who could spend more, including Republicans. On the child care certificates, we spend about $8 billion a year. More than 2 million families, mothers mostly, receive a child care certificate which they then can spend at any provider of child care that is accredited. Would you consider that a voucher?

Mr. PETERSON. Oh, yeah. We have vouchers for medical services. That is what Medicare is. Medicare is a voucher program because you tell people go see the doctor of your choice and the Government will help pay for your cost, go to the hospital of your choice. It is really extraordinary that we do so many things, the Government does so many things through vouchers, but that when it comes to elementary and secondary education, for some historical reasons, we just find it difficult to think that this is not an acceptable way to do it when it comes to funding education.

Senator ALEXANDER. Mr. Bell, you are in the middle of elementary and secondary education, one of the largest school districts in America. Why is it that Pell Grants and child care certificates are good vouchers and the idea of a voucher for elementary and secondary students is a bad voucher? Why is that?

Mr. BELL. I think it is the perception of voucher programs and the fact that the perceived notion is that it is going to create a dual-class school system. I know that we are perhaps infantile in terms of choice being such a new movement that we do not have years of data. We have many choice programs in Miami-Dade County. We have two State-mandated voucher programs that do provide for, you know, private school tuition support.

Interestingly enough, with the door wide open with school choice in Miami-Dade County, most parents are choosing public schools when they are making educational choices. I do not see it as a voucher program.

I do not know if you wanted to introduce the Senator or if I should continue.

Senator ALEXANDER. I will in just a minute. I certainly will.

Go ahead. Please finish your thoughts.

Mr. BELL. I look at this program as a wonderful avenue of support for parents who are for exercising their choice. Even under No Child Left Behind where the choice is to other public schools, oftentimes you have a child who is leaving a school, a low-performing

school, and by virtue of leaving that school, they are also losing some of the support that exists in that school through title I dollars, and this is, you know, a great way for some support to follow that student as they make the choice.

I do not know if I fully addressed your question.

Senator ALEXANDER. Let me pursue that, and then I will call on Senator Dodd for anything he may want to say. There are about how many students in the Miami-Dade County system?

Mr. BELL. About 362,000, K–12.

Senator ALEXANDER. And it is the fourth largest system?

Mr. BELL. Yes, sir.

Senator ALEXANDER. Do you know about how many qualify for free and reduced lunch?

Mr. BELL. I believe we are right about 70 percent.

Senator ALEXANDER. So if 70 percent of 370,000 students got $500 scholarships that they could then spend at your schools or any other accredited academic program in Miami-Dade County, by my quick figuring, that would bring $120 million or $130 million new Federal dollars into Miami-Dade County parents' hands every year. What do you think would actually happen with that money?

Mr. BELL. I think the impact, you know, would be phenomenal in terms of increased competition for those dollars. What we have seen with choice already is that it is really improving the end program that every school is engaging in in Miami-Dade County in terms of improving academic programs, the quality of instruction. I think there would be tremendous value added to oftentimes students who may be overlooked because of lack of resources. It is a huge amount of money. I cannot see anything but there being a positive impact.

Senator ALEXANDER. Taking the figures another way, if we took $2.5 million new dollars—and again, I am talking about new Federal dollars. I am a Republican talking about spending more money, not taking money away from any existing program, but spending more money. If we took just $2.5 billion new dollars, we could give every middle- and low-income child in the country who is in kindergarten or the first grade a $500 scholarship. If you had limited funds and were able to start with scholarships like that, where would you start? Would you start with lower grades? Would you start with higher grades?

Mr. BELL. You know, I think from looking at all the research about the importance of early intervention and starts, and I would definitely look for the early grades, because what we do there is so critical to what happens later on in a child's K–12 educational experience.

Senator ALEXANDER. And if you had a choice with the same amount of money of giving a $1,000 scholarship to the 30 percent of the students who are the poorest or a $500 scholarship to the 65 percent who we might call middle- and low-income, which would you do?

Mr. BELL. Looking at it as a practitioner, I think spreading the wealth would have some advantage, because I think that, you know, the aggregate amount of that number of kids potentially coming to a school, choosing a school, I mean, the impact would be

so much greater in terms of encouraging improvement in schools that, you know, I would go with the spreading it around approach.

Senator ALEXANDER. Ms. Hill, Ms. Allen, I have questions I would like to ask you too and Senator Dodd may too. Senator Dodd is the Ranking Member of our subcommittee. He is especially interested in early childhood efforts, and I would like to step back and let him say whatever he would like to say.

And then, Senator Dodd, where we are, we have heard testimony from the first panel. We are near the end of questioning there, and then we are going to go to a second panel.

OPENING STATEMENT OF SENATOR DODD

Senator DODD. Well, thank you, Mr. Chairman.

My apologies to the panelists and to other subcommittees members who may have been here earlier. We have had, as oftentime happens, conflicting schedules here with other hearings going on. I just left a hearing on the Banking Committee dealing with hedge funds, which is ongoing. So I am going between hedge funds and elementary and secondary education, and we are about to have some meetings coming up shortly dealing with the election reform proposals with another group. So I am going to apologize in advance to the other panelists for not being able to stay as long as I would like.

And I apologize to you, Mr. Chairman, as well.

Let me take, if I can, a couple of minutes. This is a very important issue, and I have great respect for my colleague from Tennessee who is tremendously innovative, tremendously cooperative, and I have had the pleasure of working with him during his brief tenure in the Senate on a number of issues that I find tremendously innovative and creative, and I think that is one of the things we do not have enough of in these institutions, opportunities to think out of the box and a willingness to challenge ideas.

The notion of having a Federal voucher program has been around for some time, and let me just say, as truth in advertising should be the case, I am a product of private and parochial education. My parents made those choices. I can also tell you my parents were vehemently opposed to the idea of getting a tax break for doing so. It is a choice they made, and they did so because that is what they wanted their children's education to be. Now, they could afford to make that choice, and I respect the fact that they did. They also felt very strongly about public education.

I have often tried to point out to people that every single morning, not these summer mornings, but during the school year, some 54–55 million children go to elementary and secondary schools. Roughly 48 to 50 million go to public school, and about 5 to 6 million go to a private and or parochial school. That is how it breaks down. So when we talk about elementary and secondary education, we have a structural capacity to accommodate. It is important to also note that, like public schools, and not all private and parochial schools are equal. Some of are very, very different from the ones we traditionally think of, from the well-established private schools or well-established parochial schools we know. Some are marginal in terms of the kind of schooling that is provided.

But, nonetheless, the idea that as a practical matter we could take a significant percentage of the 48 to 50 million children in public schools and somehow structurally accommodate them into a private school structure that accommodates 5 or 6 million today without putting tremendous stress and strain on that system is unrealistic. So I have come down to the point that I have always felt that our responsibility is to a good education for people, but our primary responsibility is to see to it that public education works. In many ways it does. Reporting on educational matters is like reporting on aviation. We never hear about planes that fly. We only hear about the ones that do not, and for good reason. The media is not going to spend its time at National Airport reporting each day that the following flights made it to their destinations; yet every single day across this country, there are teachers and students and schools in the public sector who perform magnificently, providing quality education and not just in affluent suburban communities or affluent rural areas, but in some of our inner cities and some of our poor rural areas, completely dedicated people who make a tremendous difference in the lives of people.

And I think too often we engage in a denigration of public education. It becomes sort of a mantra, and I think the public hears so much of it and because they hear anecdotal evidence of systems that are not working well, and clearly there are some that are not working well all around the country, that somehow the entire public education system is perceived as inherently corrupt and dysfunctional, that it does not provide the kind of opportunities that it ought to. Again, I am not apologizing or suggesting in any way that the public school system is perfect or even near perfect, but I think our obligation in the public sector is to see to it that the overwhelming majority of children, who are every day sent by their parents to a public institution, have the unqualified support of public officials to try to get this right.

I worry about a proposal, and again my colleague will correct me if I am wrong on any of this, that will provide $500 per child to attend a private school, knowing full well the cost of private institutions. I point out to my colleague who knows this well, I am a first time father of a 2½-year-old. For years, I have been involved in these issues intellectually. Now I am becoming very practically involved in these questions. We are trying to decide whether or not to send Grace to a preschool program in the fall and looking around to what is available. Now, there are not a lot of public preschool programs on Capitol Hill. There are a couple we have looked at, but she is a little young for them.

So we have looked at a couple that exist in the private sector on Capitol Hill, and I will tell you here that I went through 4 years of college at less cost than 1 year of sending my child to a preschool program. It is staggering to me, as someone who is shopping here a little bit, in terms of what we can afford to even think about sending Grace to. The idea that I might get $500 for schooling—and I know we are not talking about a preschool program here—realistically is not going to be tremendously helpful financially. If it is all I have to rely on to send my child on to a private school, it is not going to come close to meeting the obligation.

There is an overall cost to this program of some $15 billion a year if this proposal were to be fully implemented. How are we paying for this? Again, as I understand it, it would be paid for by freezing title I funds at current levels and appropriating any title I increases to the voucher proposal. At current levels, title I is underfunded by $7 billion. In fact, I offered the amendment on the floor of the United States Senate along with a Republican colleague, and we received about 75 votes, at least on the authorization bill, to fully fund title I. To date, we have not appropriated the funds to do so, even though an overwhelming majority of Democrats and Republicans supported full funding of title I. This year alone we are $7 billion short on appropriations.

At the same time, No Child Left Behind is underfunded by roughly $9 billion, the most recent effort we made to improve elementary and secondary education. If new money is available, I happen to believe it should be allocated to the No Child Left Behind Act or special education. In every community I go into in Connecticut, there is a sense of deep anger that we have not fulfilled the commitment that we made some 30 years ago to provide 40 percent of the funding for special education. I think we are at about 18 or 19 percent of the commitment, far short of the commitment we made.

I am a great believer that you ought to fulfill the promises you have made before starting to make new ones, and we are not fulfilling the promises that we have made already, either in IDEA, No Child Left Behind, or in title I. So aside from some deeper objections to this idea, I think we do have a responsibility to keep the promises we have made, to fund current education programs at full funding first.

Aside from the cost issue, I am concerned about accountability as well. Like other voucher proposals, this program would divert public funds to private schools that are not publicly accountable. While the proposal does make reference to No Child Left Behind's testing system, there is no mention of highly qualified teachers, qualified paraprofessionals, or sanctions for schools that do not make adequate yearly progress, all of which are required, of course, under the No Child Left Behind provisions for public education.

Two years ago, of course, we passed the No Child Left Behind Act calling for accountability with results. How is it that after 2 years we can even be talking about diverting Federal dollars, in my view, to a system that we agreed was absolutely necessary to raise the bar. In addition to Congress' calls for accountability, it is also worth mentioning that the polling data indicate that a majority of Americans, not that we ought to be deciding public policy on polling, but just for added information, a majority of Americans believe that private schools that accept Government funds should be accountable in the same way that public schools are. I mentioned earlier that there are some five to six million children every day who go to a private or parochial school. All of us in this room who are knowledgeable about private and parochial school alternative opportunities know full well that there are many of these schools that would not even begin to pass basic accountability tests. There are many that do. I know that as well, but there are also many that do not, and that is a choice, again, people can make, but the idea

that we would publicly finance these institutions without demanding the same degree of accountability at the expense of these children's education, I think would be a great shortcoming and a great disservice to the parents and children who attend these institutions, and I know full well that many of these people would abhor the idea of imposing Federal accountability requirements when it comes to these private institutions.

It is one of the reasons they have set them up. They are not satisfied with public education. They do not like the rules and regulations. I respect their ability to make those choices, but the idea that you are going to receive Federal dollars, public dollars and simultaneously avoid having to meet the same kind of accountability test is just not going to happen in my view, and I do not think many of my colleagues would support such an idea.

Aside from the cost and accountability, I think voucher programs also jeopardize the longstanding idea of offering every child equal access to education. Again, as long as civil rights and disability protections are not in place in full effect for every school accepting a child with a type of voucher, there can be no guarantee that every school or academic program receiving Federal dollars will be made available to every student regardless of disability, English proficiency, or even the propensity towards behavior problems or high academic achievement. Again, private institutions can set those standards. They have the opportunity to accept and reject people based on a criteria they may set for themselves. Again, to allow Federal dollars to be used, $15 billion of them, without insisting upon a degree of fairness in terms of how potential private school children are treated would trouble me very, very much.

When it comes to private education choice, choice is given to schools, not to parents. Parents can choose the school to which they could submit their child's private school application, but ultimately the private institution decides whether or not to accept that child. For this reason, vouchers rarely benefit the most disadvantaged. Federal funds could go to schools that exclude children.

I do agree with Senator Alexander that we need to do everything we can to ensure that every child in America receives the educational opportunity that is the foundation of our democracy. I totally agree with that, and I thank him for reiterating that point over and over again. But the way that we do this is to get behind public education. What we need to do is ensure that all public school children have access to quality resources in their classrooms, highly qualified teachers, state-of-the-art technology, high quality curricula. That is what I attempted to do on May 17th on the 50th anniversary of *Brown* v. *Board of Education*, by introducing the Student Bill of Rights with Chaka Fattah, a Congressman from Philadelphia.

The Student Bill of Rights attempts to ensure that every child has equal opportunity to receive what is needed to get a good education. Current law requires that schools within the same district provide comparable educational services. This bill would extend that basic protection to the State level by requiring comparability across districts. In my home State of Connecticut, and I know the Chairman has heard me talk about this, but within the public school environment, my home State of Connecticut is a tale of two

cities in many ways. It is listed as the most affluent State in the United States on a per capita income basis. Hartford, CT is also listed as the poorest city in America. Here is a State 110 miles by 50 miles that is the most affluent State and yet has within its boundaries the poorest city in the United States of America.

So I have within the same geographical area incredibly qualified, tremendous public institutions, and just a few miles down the road, you can go to an institution where teachers are not certified to teach the courses they are teaching. Science textbooks talk about maybe one day having someone land on the moon. Two children in the same State and the same country may be going to public institutions where the disparities are incredible. This needs to be fixed in my view.

How do we ever expect these children to have an equal opportunity to learn when the resources they have been given to learn are so disparate? Again, I am not suggesting it is just a resource question, but with scarce dollars available to try and improve the quality of public education, in my view to take $15 billion of those resources and to move them into the private sector at a time when public education is in need in many, many areas, I think would be a mistake.

And let me just conclude, if I can, with a few additional thoughts. All too often, whether an American child is taught by a highly qualified teacher in a small class, has access to the best courses and instructional materials, and otherwise benefits from educational resources that have been shown to be essential to a quality education still depends on where the child's family can afford to live. This is simply unacceptable and it ought to be to all of us as Americans.

That is why the Student Bill of Rights is so important to our children's ability to achieve academically, to gain the skills they need to be responsible participating citizens in a very diverse democracy and to compete and succeed in the 21st Century's global economy. Adequate resources are vital to providing students with the opportunity to receive a solid education. This is where our efforts should be focused in my view and, with all due respect, not on vouchers.

Before I close, I would be remiss if I did not talk about the appropriateness of the use of Senator's Pell's name, and I know this has been raised, but I served for almost 20, years in this institution in this very subcommittee with Claiborne Pell, one of the most remarkable people I ever served with in public life. Two or three things come to mind, any one of which would be a significant accomplishment in public life. The Northeast Corridor was Claiborne Pell's idea. The National Endowment for Arts and Humanities was Claiborne Pell's idea. The banning of testing of nuclear weapons on the ocean floors was Claiborne Pell's idea. And Pell grants were Claiborne Pell's idea. Again, any one of which would be, as I say, a significant accomplishment alone.

One of the things we need to understand when it comes to Pell Grants is that there is a difference in higher education. While in some sense Pell grants go to students, they also go to the institutions as well, putting the full effect of Federal civil rights laws into effect. This is very different from the vouchers here. There is a fun-

damental distinction on a higher education level between a Pell Grant, and a Pell Grant that would follow a child at the elementary or secondary level without civil rights laws in full effect.

So, again, I know the Chairman means absolutely no disrespect, in fact, probably named his proposal out of respect for Claiborne Pell's idea of providing a source of revenue to institutions as well as students to make higher education available to millions of people over the years. But, I think it does a disservice to compare a voucher for an elementary student or a high school student with a Pell Grant for a student at the higher education level.

With that, Mr. Chairman, I appreciate immensely your holding a hearing on this subject matter, but I have very strong views that differ from my good friend.

Senator ALEXANDER. Thank you, Senator.

Obviously I have got some work to do on Senator Dodd.

I thank you for coming and for expressing your views. As I mentioned to Senator Reed when he was here, I have actually contacted Senator Pell through his former chief of staff to let him know that we were using his name and his idea as a working title here. I have great respect for him.

You would agree, wouldn't you though, that the Pell Grant for college students is a voucher?

Senator DODD. If you say that as much as a Stafford Loan is, but clearly we track institutions that receive Pell Grants and they are required to comply with all the Federal laws of the country.

Senator ALEXANDER. This proposal also would require any academic program that received a Pell Grant for Kids to follow Title IX and Title VI of the Civil Rights Act.

Senator DODD. The other distinction I would make is we require that all children up to the age of 16 be in school. Higher education is an opportunity for those, obviously, who have the talents and the ability. It is not a necessity of life. There are plenty of people who are highly successful without necessarily going on to higher education. We have always drawn the distinction, I think, between higher education and elementary and secondary education in terms of the public's commitment to it. And while over the years, I think going back—in fact, I always point out that one of the very first Acts of Congress was the adoption of the Northwest Ordinance. In fact, they did that at the time of the American Revolution, which set aside lands for public education. In the middle of the Civil War, in fact—I have always been impressed with Lincoln and the Congress at that time—in the middle of the Civil War, they passed the Morrill Act, which I know my colleague from Tennessee is very familiar with, and that was, of course, the establishment of land grant colleges. The University of Connecticut in my home State is one of them. There are many across the country.

And then even prior to the end of the great war of the 20th Century, World War II in 1945, the Congress passed the GI Bill which provided, of course, educational opportunities for those coming out of the military to go on to higher education. I have always seen a significant distinction between that and the idea of providing a voucher of public dollars for someone to go to a private institution for kindergarten or the first or second grade. I just think it is a distinction that is quite obvious to most people, at least it is to me.

Senator ALEXANDER. Well, Senator Dodd, what I am doing is I made a proposal. There is no legislation yet. We are going to be working on the legislation over the next 6 months. Many of the points that you raised are very good points, points I have heard before. What I am attempting to do is to see if there is anything to learn from the great success we have had in funding higher education, by basically giving the money to the students and letting it follow them to the institution of their choice, that we could apply to elementary and secondary education.

Senator Ribicoff and Senator Moynihan in 1979 actually sought to amend the Pell Grant and make the Pell Grant itself applicable to elementary and secondary students. You mentioned shopping around for preschool. I mean, that is exactly what I would like for more parents to be able to do. Maybe we could work together on giving $1,000 or $2,000 to every parent of a beautiful child and let them look for a kindergarten program or a 4th grade program or a 3rd grade program or a preschool program.

So I know that there are differences of opinion here, and what I am trying to do is see if there is a way to get through the usual debate about this, and maybe there is, maybe there is not. That is my hope, and I appreciate it.

Senator DODD. Thank you.

Senator ALEXANDER. Thank you.

It is time now to go to the second panel so that we will have ample opportunity to hear from them. I want to thank each of the four of you for being here, and if you have additional thoughts that are raised by the hearing, I hope that you will submit them within the next week.

Thank you very much.

I will begin to introduce the witnesses while they are being seated to save time.

Mr. Ellen Goldring is the Alexander Heard Distinguished Service Professor and Professor of Education Policy and Leadership at Peabody College of Vanderbilt University. That is a distinguished university and distinguished professorship, and I am biased toward the institution because I had the privilege of attending it.

Robert Enlow is Executive Vice President for Programs and Development of the Friedman Foundation in Indianapolis, IN. Milton Friedman has been one of the most distinguished economists in America's history and has been a leading proponent of the idea of giving parents choices in schools.

John Kirtley is Vice Chairman of the Alliance for School Choice. He is from Tampa, FL, and Mr. Kirtley is a co-founder of a venture capital firm, but he has been working in a variety of ways to give lower-income children more choices of good schools.

Dr. Robert Smith for 7 years has been the Superintendent of the Arlington Public Schools. He has spearheaded a number of initiatives to improve student achievement in his schools. He must be a very successful superintendent to have been one for 7 years. Superintendents are like university presidents; they come and go very rapidly.

So we should have a good diversity of opinion on this panel, and I look forward to hearing from each of you, and starting with Dr.

Goldring, if you each take about 5 minutes, that will leave me or other Senators an opportunity to ask questions.

Thank you.

STATEMENT OF DR. ELLEN B. GOLDRING, ALEXANDER HEARD DISTINGUISHED SERVICE PROFESSOR AND PROFESSOR OF EDUCATION POLICY AND LEADERSHIP, PEABODY COLLEGE, VANDERBILT UNIVERSITY

Ms. GOLDRING. Thank you very much. It is my honor and pleasure to be here today to talk about Pell Grants for Kids. I also have a written statement for the record and I will summarize it briefly here.

Senator ALEXANDER. Thank you.

Ms. GOLDRING. Decades of school choice research has documented two very clear consistent findings that pertain to our discussion today about Pell Grants for Kids. First, school choice is associated with high levels of parent involvement, commitment and empowerment; second, school choice policies must address questions of equity that often emerge because of differential access to information and transportation between advantaged and disadvantaged families. I am going to follow these two themes today and discuss their implications for Pell Grants for Kids.

Perhaps different than the other members of this panel, I want to focus on the Pell Grant as a grant and not as a voucher, and most of my remarks are going to pertain to the question of how parents would use or could use this grant actually in public schools. Pell Grants for Kids, in my opinion, would most likely be used by public school parents to purchase educational services both inside and outside of school rather than a voucher for parents to choose a private school unless the parents were already in a private school.

In my opinion, Pell Grants for Kids is too small to be considered an avenue for authentic or widespread school choice. Five hundred dollars can be helpful as a grant to buy needed educational services, but it is too small an amount to help a low-income child without other resources to attend a private school unless it is an inexpensive parochial school.

Possible benefits of Pell Grants for Kids as a grant: One, Pell Grants for Kids could provide low-income parents access to educational opportunities for their children. One obvious difference between upper and lower-income families is the amount of disposable income each can spend on educational services and supports for their children, even within the public school sector. Pell Grants could help provide additional disposable educational resources for disadvantaged children; two, Pell Grants for Kids could empower parents and help them become more involved in their children's education. From lessons on school choice, the grant may provide disadvantaged parents with a meaningful mechanism to get involved as they decide when and how to spend their grant. Once making their choice, they may continue to stay involved to monitor their choice; three, Pell Grants for Kids follow the student and could spur increased options within the public sector.

When we speak about school choice, public school choice in my case, especially school choice for poor and disadvantaged students,

we must consider both supply and demand. Pell Grants could help influence the supply side, that is they may serve as an incentive for schools, even public schools, to recruit and retain disadvantaged children. While the choice option under No Child Left Behind requires school choice within the public sector for failing schools, the Pell Grants could serve as an added incentive for schools to work with disadvantaged student groups. In addition, the grants may help receiving schools or existing schools offer the specific services and programs students and parents need or want. The grant may also act as an incentive for schools to begin to engage and respond to disadvantaged parents much more seriously.

Possible challenges: One, access to information about Pell Grants could be difficult. Lack of access to information is one of the major sources of inequity under all school choice plans. Economically disadvantaged families, those targeted to receive the Pell Grants for Kids, often do not have adequate information, may not be aware of their options, and may not have the formal and informal networks to learn about alternatives despite outreach and dissemination of efforts. Therefore, it is vitally important that a broad approach be implemented to providing information. We have a lot of research evidence on that point.

Two, determining eligibility for Pell Grants for Kids by using free and reduced lunch applications may underfund the initiative. In most schools, as children become older, they tend to shy away from self-identifying in the free and reduced lunch programs. This tendency could deny eligible children the benefits of the program.

Three, access to transportation could be an impediment to utilizing the Pell Grant for Kids. Expanding choice options requires access to transportation for disadvantaged families and students. Lack of transportation is often one of the most widespread barriers to school choice and participation in after-school and other type of support services. Those most in need of Pell Grants are also likely to be those families that do not have access to safe and reliable transportation.

My final point, since I know time is ending, parents could be co-opted when using Pell Grants for Kids. For parents whose own school experiences were unhappy, unsuccessful, and painful, parents may not feel comfortable engaging in discussion, negotiation, or exchange around using their Pell Grants, especially if they want services or programs that are different from what the school already provides. School professionals may try to influence how the families spend their grants in order to support existing or their own school initiatives.

How will parents ensure that their grants are not co-opted by the school? The idea that funding from Pell Grants for Kids could be pooled together by parents at the same school assumes a level of parent organization and communication that does not often exist in low-income disadvantaged schools. Who will organize these parents? How? Some schools have parent resource centers and outreach programs. Many do not. In the absence of mechanisms to support parents, it is not clear how Pell Grants can empower them.

Evidence and experience suggests that the outcomes associated with grants and school choice programs are dependant on carefully crafted and implemented policies.

Thank you for the opportunity to present my testimony on this timely topic.

[The prepared statement of Ms. Goldring follows:]

PREPARED STATEMENT OF ELLEN B. GOLDRING

Good morning Mr. Chairman and members of the committee. My name is Ellen Goldring and I am the Alexander Heard Distinguished Service Professor and Professor of Education Policy and Leadership at Vanderbilt University. I appreciate the opportunity to share my views about the Pell Grants for Kids, particularly as they relate to school choice. In my testimony today I will first provide a brief overview of school choice and then discuss possible benefits associated with the Pell Grants for Kids and raise some areas of concern.

Decades of school choice research has documented two very clear, consistent findings that pertain to our discussion today about Pell Grants for Kids: First, school choice is associated with high levels of parent involvement, commitment and empowerment. Second, school choice policies must address questions of equity that often emerge because of differential access to information and transportation between advantaged and disadvantaged families. I will briefly follow these two themes and discuss their implications for Pell Grants for Kids.

BACKGROUND

One of the most important ways in which parents are involved in their children's education is through choosing the school they attend. Parents typically choose a school de facto, according to where they live. However, within the past decade, more parents are able to exercise explicit school choice because of specific educational policies, such as magnet schools, charter schools, open enrollment, tax credits and vouchers.

School choice is a highly debated and disputed policy. Many believe school choice policies will harm the public schools, leaving them with lower enrollments and fewer resources to meet the needs of all children. Others believe school choice is exactly what is needed to spur public educational monopolies to excellence. Regardless of the contested nature of the costs and benefits of school choice, and the debated empirical findings about its impact on student achievement, the fact is, the educational landscape in this country will continue to include many more school choice options in the future. In my opinion, the most prevalent school choice options will always be in the public school arena, including open enrollment, magnet schools, and charter schools, while private school choice, involving vouchers and tax credits, will continue to impact fewer children.

Public school choice has been given new prominence by the No Child Left Behind Act, which requires that students in failing schools be given the option to transfer to more successful schools in their districts. This is in keeping with other provisions of the act that seek to strengthen accountability in public education. The prospect of losing students is meant to operate as a sanction to spur failing schools to improve. However, this is not the only purpose served by this provision of the law. Advocates of expanded choice in public education do not see choice merely as a sanction. Choice is also viewed as a mechanism for creating more successful schools, particularly in disadvantaged communities where parents cannot choose better schools by changing residential location.

Benefits of school choice include: (1) greater parent and student satisfaction, and increased parent commitment and involvement, fostered by an enhanced sense of ownership; (2) greater school autonomy, stronger school leadership, and enhanced teacher collaboration and professionalism; and (3) enhanced sense of school community because of shared values among parents, students, teachers, administrators, and staff. In short, choice is seen as a mechanism for establishing strong, successful schools in communities that have too often lacked them.

All school choice policies face challenges pertaining to excellence, equity, and access. Schools are faced with recruiting and attracting a student body that is both racially and socioeconomically diverse. Much research has suggested that choice "creams" parents from upper social class families because these families have access to information and networks that help them manage and navigate the school choice process. The challenges of equity and access are even more poignant today as many districts are no longer under court order to maintain certain racial quotas due to unitary status agreements. Educational outcomes become more unequal as parents with time, interest, and knowledge take advantage of choice while students whose parents are less involved, have less information, or are less able to make good use of these opportunities, do not.

In sum, one of the key benefits of school choice is the provision of matching students and families with the appropriate school. There is no longer a prevailing belief that there is one system that can meet the needs of all children. The "one best system" approach to education or the common-schooling view that all students must participate in the same type of education, cannot meet the current needs of society.

Pell Grants for Kids would most likely be used by public school parents to purchase educational services both in and out of school, rather than as a voucher for parents to choose a private school, unless the parents were already at a private school. Pell Grants for Kids is too small to be considered an avenue for widespread school choice. Five hundred dollars can be helpful as a grant to buy needed educational services, but it is too small an amount to help a low-income child attend a private school, unless it is an inexpensive parochial school.

POSSIBLE BENEFITS:

Pell Grants for Kids could provide low income parents access to educational opportunities for their children. One obvious difference between upper- and lower-income families is the amount of disposable income each can spend on educational services and supports for their children. This disposable income is used both as a "private good" for a parent's own child and as a pooled resource with other middle income families from the same school. For example, more-advantaged families often hire tutors or SAT/ACT coaches to assist their children in preparing for college. The growth of Sylvan Learning and Kaplan Test Prep across the country, not to mention music lessons, dance lessons and other after school activities, evidences this divide. Furthermore, it is not at all unusual for the Parent/Teacher Organization of advantaged schools to raise over $100,000 each year from parent donations. These monies are then used to "buy" supplemental educational programs for all the children in the school. Many elementary schools buy a foreign language teacher to offer Spanish in the early grades or buy additional music and art programs beyond what the district typically provides. Pell Grants could help provide additional "disposable" educational resources for disadvantaged children.

Pell Grants for Kids could empower parents and help them become more involved in their children's education. Research on school choice documents that parents engaged in school choice are more involved in their children's schools than parents who do not choose. This is a very consistent finding across all different types of school choice, private and public. Parents may be more comfortable with, and supportive of a school they have chosen. Furthermore, after exercising choice, they may have the desire to prove to themselves that they made a wise decision and, therefore, parents may be willing to be more involved in the school. Parents who choose a school may be more committed to try to influence school policies to ensure that the school remains consistent and congruent with their values.

Similar to these benefits from school choice, the Pell Grants for Kids may provide an avenue to help spur parent involvement. The Grant may provide disadvantaged parents with a meaningful mechanism to get involved as they decide when and how to spend the grant. Once making their choice, they may continue to stay involved to monitor their choice.

Pell Grants for Kids target students and families who typically have the fewest choices. Disadvantaged families and children do not usually have a wide array of educational choices—they tend to attend schools with high concentrations of poverty. Research evidence that spans several decades shows a persistent relationship between the percent of at-risk students in a school and the financial resources allocated to it in terms of class size, age and condition of facilities, teacher-student ratios, teacher quality, and per-pupil expenditures. Researchers and commentators on public education have argued that the socioeconomic isolation of poor, minority students in schools is a prime cause of the continuing achievement gap. Pell Grants for Kids could help provide important resources to schools serving at-risk students by targeting families that are in need and typically do not have choices regarding educational services and programs.

Pell Grants for Kids follow the student and could spur increased options. When we speak about school choice, especially school choice for poor and disadvantaged students, we must consider both supply and demand. Pell Grants for Kids could help influence the supply side—that is, they may serve as an incentive for schools, even public schools, to recruit and retain disadvantaged children. With the choice option under NCLB, the Pell Grants could serve as an added incentive for schools to work with disadvantaged student groups. In addition, the grants may help receiving schools or existing schools offer the specific services and programs students and parents need or want. The grant may also act as an incentive for schools to begin to engage and respond to disadvantaged parents much more seriously.

POSSIBLE CHALLENGES:

Access to information about Pell Grants could be difficult: One lesson we have learned, repeatedly, about school choice programs is the importance of access to information. To facilitate a system of school choice, or in this case, Pell Grants, parents and families must have information that is both accessible and understandable and that allows all parents, not just the most sophisticated or well-educated parents, to make informed decisions about how to acquire and spend the grant. Multiple and varied avenues of communication are important. Individual families can make good choices regarding the various alternatives open to them for their children's education if they have sufficient information to judge those alternatives.

Lack of access to information is one of the major sources of inequity under most school choice plans. Economically disadvantaged families, those targeted to receive the Pell Grants for Kids, often do not have adequate information, may not be aware of their options, and may not have the formal and informal networks to learn about alternatives, despite outreach and dissemination efforts.

Parents' social networks play a central and fundamental role in the sources and types of information available to parents to make school choices. Social networks are directly related to social class. In other words, social networks are related to occupational status, neighborhood stability and isolation, and membership in recreational and community organizations. Disadvantaged parents and those of more advantaged backgrounds have access to different social networks and use different types of information. Upper social class parents enjoy wider social networks with more people who have access to information. For lower-income parents the word-of-mouth channel is the key source of information compared to the more deliberate district and school-level information dissemination activities, such as mailings, meetings and media outreach. For example, we often find in our research on magnet schools that parents continue to think that magnet schools are "private" schools.

As a result of the relationship between social-class structure (i.e., education, occupation, income, housing) and social networks, the pool of resources from which lower-income parents can draw to make decisions regarding Pell Grants for Kids may be somewhat smaller than the one available to middle and upper class parents. This is especially true for parents who are not employed, did not finish high school or never attended college, and live in unstable and transient neighborhoods. In the absence of the type of social networks that can deliver relevant and valuable information regarding grant options, applications and deadlines, lower-income parents may be left out. Therefore, it is vitally important that a broad approach be implemented to providing information.

Determining eligibility for Pell Grants for Kids by using Free and Reduced Lunch Applications may underfund the initiative in some grades. Relying on free and reduced lunch forms may not be the best way to register for the Pell Grants. In most schools, as children become older then tend to shy away from self-identifying for the Free/Reduced Lunch programs. This tendency could deny many eligible children the benefits of the program.

Access to transportation could be an impediment to utilizing Pell Grants for Kids. Expanding choice options requires access to transportation for disadvantaged families and students. Lack of transportation is often one of the most widespread barriers to school choice and participation in after-school and other types of enrichment activities. Those most in need of Pell Grants are also likely to be those families that do not have access to safe and reliable transportation.

Transportation is central to access because many disadvantaged schools are located in high-risk neighborhoods with few community and educational resources. Many impoverished neighborhoods may not have a large number of agencies that can offer Pell Grant services, including services provided by nonprofit, community, civic, and religious organizations. Some urban planners have referred to communities with little or no assets as "no-zones"—"no banks, no grocery stores, no community services, no hospitals" (Greenberg & Schneider, 1994, as cited in Noguera, 2001, p. 196). How will parents be able to use their Pell Grants if they live in "no-zones?"

Parents could be co-opted when using Pell Grants for Kids: For parents whose school experiences were unhappy, unsuccessful and painful, parents may not feel comfortable engaging in discussion, negotiation or exchange around using their Pell Grants, especially if they want services or programs that are different from what school personnel advocate. School professionals may try to influence how the families spend their grants in order to support existing or new school initiatives. How will parents ensure that their grants are not co-opted by the school?

Under NCLB, students in title I schools who did not meet Adequate Yearly Progress for 3 consecutive years are eligible for Supplemental Educational Services.

These services are paid to providers by the Local Education Authority from Title I NCLB funds. How will these funds and services provided under NCLB be juxtaposed and differentiated by Pell Grants for Kids to ensure parents are in the drivers' seat and are making the decisions?

Furthermore, the idea that the funding from Pell Grants for Kids could be pooled together by parents at the same school assumes a level of parent organization and communication that often does not exist in low-income, disadvantaged schools. Who will organize the parents? How? Many schools with at-risk children do not have high levels of parental involvement and do not have well established parent organizations. Some schools have Parent Outreach coordinators or Parent Resource Centers, but many do not. In absence of mechanisms to support parents, it is not clear how Pell Grants for Kids can empower them.

Evidence and experience suggest that the outcomes associated with school choice are dependent upon carefully crafted and implemented policies. I urge the committee to consider the potential challenges that may face the Pell Grants for Kids program as well as strategies that can help the program achieve its intended goals.

I would be glad to furnish references at the committee staff's request. Thank you again for the opportunity to present testimony on this very timely and important topic.

Senator ALEXANDER. Thank you, Ms. Goldring.

Mr. Enlow.

STATEMENT OF ROBERT C. ENLOW, EXECUTIVE DIRECTOR, MILTON AND ROSE FRIEDMAN FOUNDATION, INC.

Mr. ENLOW. Thank you, Senator Alexander. Good morning and thank you. I am pleased to be here and honored to be invited.

My name is Robert Enlow. I am the Executive Director—obviously I need to fix my bio—of the Milton and Rose Friedman Foundation. We are a non-profit organization dedicated to advancing Milton and Rose's vision of educational freedom and options.

I have been asked today to talk about three broad areas: the history and origin of school choice, the current progress made on school choice, and some thoughts on the future direction of school choice. Contrary to myth, as many of us know, schooling as we know it or public schooling as we know it is not synonymous with the ideals of our colonial Americanism and Founding Fathers.

That is not to say that education was unimportant to them, quite the contrary. As Warren Nord notes in his book *Religion in American Education*, "The Puritans placed a powerful emphasis on learning." One result of this, one very early result of this emphasis was seen in 1647 when the colony of Massachusetts passed something called the "Old Deluder Satan Act" which required "towns of 50 families to appoint a schoolmaster to teach children how to read and write and something of religion." It also required larger towns to actually develop grammar schools to prepare children for advanced education.

Of course, this same strong emphasis on the need for and importance of widely available education is seen clearly among our Founding Fathers. Thomas Jefferson in 1779 introduced a plan to establish the first statewide school system in the New World. He called for 20 secondary schools to be created, but recommended that tuition be paid for by parents except in the case of needy students where he offered scholarships.

What is critical to note here is that the emphasis on education did not lead directly or even rapidly to a system of State-operated schooling. Rather, consistent with the values and traditions and early colonists and our founding fathers, formal schooling from

1630 all the way to 1830 was typically a mix of private academies and local denominational schools. It was sometimes tax supported, but primarily paid for by parents. Schools were predominantly privately run, entirely in control of local hands, and thoroughly religious. Moreover, attendance was strictly voluntary.

It was not, as you know, until the 1830s and 1840s that we began to see the roots of our current system of government-controlled and operated schooling. At that time, with the backing of Horace Mann and others like William Ruffner, the emphasis changed from schooling that was mostly parent-supported and principally private run to schooling that was mostly State supported and principally government-run, common schools as we have come to call them. It was during this time that compulsory attendance laws began to be enacted, the first of which was in Massachusetts in 1852.

Now, leaving aside the considerable controversy surrounding the origins of the common school movement and the motivations for it, the fact remains that it took fully 70 to 80 years for the transition to uniform education to take place. In fact, it was not even until 1918 until the compulsory education was enacted in all States. In the intervening times, schooling was still mainly a local function. Private academies and denominational schools continued to receive public support; however, during this time, this is when the support began to decrease as common schools began to take root and the States modified their constitutions to stop public aid to sectarian institutions.

Again, this is what we are talking about today. The critical point to note here is the difference between schooling in 1630 to 1830 and that schooling that arose during the transition period of 1830 to 1920 is one of delivery mechanisms and funding. The early republic emphasized the importance of education for a stable society and provided some public funding for schooling all the while allowing parents a greater autonomy and enabling a wide array of private and religious schooling. The common school movement simply destroyed parental autonomy and school autonomy, that simple. It linked in a clear way Government financing of education through tax dollars with the Government administration and operation of schools.

What happened in this period after 1920, of course, is well documented and I will not spend time on that discussing that except to say rapid centralization has occurred with schooling becoming increasingly bureaucratic, and uniform education moved from a parent-child customer-centered focus to a school-State education provider-centered focus.

I make this point about the history and the origins of education in America only to make the simple point that the heart of school choice lies in the pre-common school principle that made a distinction between Government financing and Government operation of schooling. The roots of school choice go back to our founding fathers, but the modern trend started in 1950s with Milton Friedman. The roots of practical—actually implementation of school choice also go back very far. In Maine and Vermont, there have been programs since the late 1700s. They have been known as town tuitioning, but again, the modern attempts started in the

1950s as well. That is when Minnesota in 1955 enacted a tax deduction program to allow parents to offset certain educational expenses of public and private schools, followed in the 1970s by Christopher Jencks, who with the Office of Economic Opportunity proposed school choice as a solution to big city problems.

Again, the next breakthrough, though, was in 1990 in Milwaukee when Governor Tommy Thompson and many came together to pass a school choice program for low-income children in the City of Milwaukee. The program was originally limited to 1 percent of the student population, and eligibility was limited to families below the poverty level.

Simply put, the program enacted for Milwaukee sparked a revolution, and these are the quick points I would like to make. Since 1995, we have seen an explosion in the number of school choice programs introduced at the State level. In fact, in 2003, more than 20 States introduced some type of legislation. Moreover, since 1996, we have seen one new program enacted every single year. So this is not an issue that is going away.

We have also witnessed a dramatic growth in the types and variations of legislation offered. Again, in the early 1990s, it was designing a program for low-income families or small tax credits. Now there is a wide diversity.

Again, the evidence, contrary to what some others have said, the evidence is becoming very clear on school choice. School choice has not led to creaming. Unlike what others have said, almost all credible studies show positive effects for students who were receiving vouchers. None shows negative correlation. Evidence is mounting that there is also a positive relationship between vouchers and public school improvements. The evidence of where we have come is clear.

Senator ALEXANDER. Mr. Enlow, you are going to have to keep it a little closer to 5 minutes to be fair to the other witnesses.

Mr. ENLOW. The only other thing, I would like to applaud the Senator for his effort on Pell Grants, because the fact is you are separating the public financing of education, which we should all support, from the Government administration of schools. You are going back to the roots of what our education used to be where we funded children and funded education. We did not fund a system. So I would like to applaud the Senator's proposal for that.

Senator ALEXANDER. Thank you very much, and your whole statement will be a part of our record.

[The prepared statement of Mr. Enlow follows:]

Testimony of Robert C. Enlow
Executive Director, The Milton and Rose Friedman Foundation, Inc.
Indianapolis, Indiana

Testimony before the Subcommittee on Children and Families of the Committee on Health, Education, Labor and Pensions

Hearing on Pell Grants for Kids: It Worked for Colleges. Why Not K-12?

July 15, 2004

Mr. Chairman and Members of the Committee:

I am honored to be here today to discuss the important topic of school choice, specifically, the historical origins of school choice, the progress of school choice across the country and thoughts on the future direction of school choice.

Former Cincinnati Reds manager Sparky Anderson once said, "We shouldn't dwell on the past, there's no future in it." In the case of school choice, he is wrong. The future of school choice lies in understanding and accepting that we are merely returning to the roots of American education.

Contrary to myth, public schooling as we know it is not synonymous with the democratic ideals of our founding fathers. In fact, the public schools of today – the taxpayer supported, government-run, highly centralized, bureaucratic institutions that are free at the point of delivery – are not the schools of yesterday.

This is not to say that education was unimportant in colonial America or to our founding fathers. As Warren Nord argues in *Religion and American Education*, "The Puritans placed a powerful emphasis on learning." Lawrence Cremin, in *American Education: The Colonial Experience*, goes further, maintaining that "within such a society, education would assume the utmost importance, not merely as an instrument for systematically transmitting an intellectual heritage, but as an agency for deliberately pursuing a cultural ideal."

An early result of this emphasis on education was that in 1647 Massachusetts passed the "Old Deluder Satan" Act. According to Nord, the act required "towns of fifty families to appoint a schoolmaster to teach children how to read and write and something of religion," with larger towns being "ordered to establish grammar schools to prepare children for advanced education."

The same strong emphasis on the need for and importance of widely available education is seen also among our founding fathers. In 1779, Then Governor of Virginia Thomas Jefferson introduced a plan to establish the first statewide school system in the New World. He called for twenty secondary schools to be created, but recommended that tuition be paid by the students, except in the case of poorer families where he proposed scholarships for needy students. A few

years later in *The Rights of Man*, Thomas Paine echoed Jefferson when he made the case for publicly financed compulsory education. However, he recommended that parents should be free to choose schools, calling for the expenditure of "four pounds a year for every child under fourteen years of age; enjoining the parents of such children to send them to school, to learn reading, writing and common arithmetic."

What is critical to note here is that this emphasis on education did not lead directly or even rapidly to a system of state operated schooling. Rather, consistent with the values and traditions of early colonists and our founding fathers, formal schooling from 1630 to 1830 was typically a mix of private academies and local denominational schools. It was sometimes tax supported but primarily paid for by parents. Schools were predominantly privately run, entirely in the control of local hands and thoroughly religious. Moreover, attendance was strictly voluntary.

It wasn't until the 1830s and 1840s that we begin to see the roots of our current system of government controlled schools. At that time, with the determined backing of Horace Mann and others like William Ruffner, the emphasis changed from schooling that was mostly parent supported and principally privately run to schooling that was mostly state supported AND principally government run: common schools as we have come to call them. It was during this period that compulsory attendance laws began to be enacted, the first of which was enacted in Massachusetts in 1852.

Leaving aside the considerable academic controversy surrounding the motivations of those who fought for the common school movement – whether they were motivated by a true desire to make education available for all or a more sinister anti-catholic sentiment – the fact remains that it wasn't until 1918 that schooling in all states became compulsory. It took fully 70-80 years for the transition to uniform education to take root.

In the intervening time, schooling was still mainly a local function. Schools run by local boards and serving neighborhoods were the norm. Moreover, private academies and denominational schools continued to receive some tax support for a period of time, but this support continued to decrease significantly as common schools began to take root and as states modified their constitutions to prohibit the use of public funds for sectarian purposes.

The critical point to note here is that a key difference between schooling from 1630-1830 and schooling that arose in the period from 1830-1920 is one of delivery mechanisms. The early republic emphasized the importance of education for a stable society and provided some public funding for schooling, all the while allowing parents greater autonomy and enabling a wide array of private and religious schools to receive public funds. The common school movement simply destroyed parental autonomy and choice, linking in a clear way the government financing of education through tax dollars with the government administration and operation of schools.

What happened in the period after 1920 is a testament to the folly of this idea. Rapid centralization ensued, with schooling becoming increasingly bureaucratic and uniform. Education moved from a parent/child customer centered focus to a school/state education provider centered focus.

Two simple statistics tell the story. In 1900, 72% of all children attended a public school, but by 2000 that figure had increased to 92%. Most telling however is the dramatic school district consolidation that occurred between 1937 and 1998. According to a book by Paul Peterson, *The Education Gap: Vouchers and Urban Schools*, "There were nearly 120,000 school districts in the nation in 1937; by 1998, the number had dropped to less than 15,000."

Now, I have spent time describing the roots of American education prior to discussing the specific topic of school choice and the Pell Grants for Kids proposal in order to make two simple but often elusive points: namely that school choice is not a new idea which somehow conflicts with the principles of our republic and also that the heart of school choice lies in the pre-common school principle that made a clear distinction between the government financing of education and the government operation of schools.

The philosophical roots of school choice go back to the founding fathers, but the modern trend towards greater choice in K-12 education began in the 1950s with Milton Friedman. Building upon John Stuart Mill's writings, Friedman proposed that:

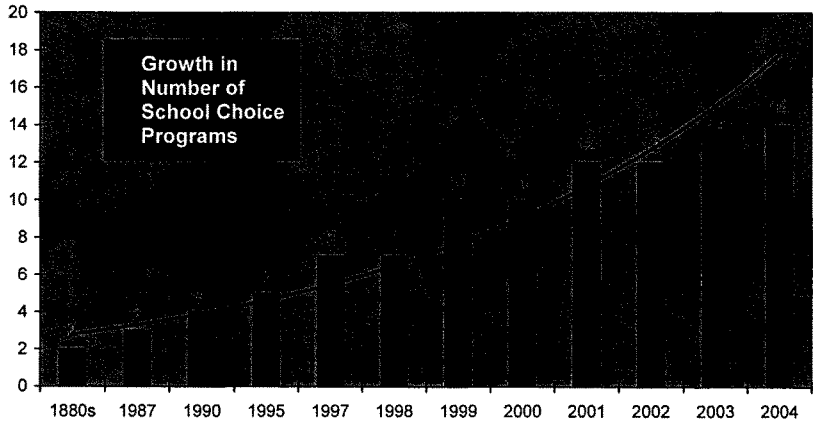
> "Governments... could finance [education] by giving parents vouchers redeemable for a specified maximum sum per child per year if spent on 'approved' educational services. Parents would then be free to spend this sum and any addition sum on purchasing educational services... of their own choice."
> Quoted from Peterson, *The Education Gap: Vouchers and Urban Schools*

It should be noted too that while the practical roots of K-12 school choice extend back into the 1700s – Maine and Vermont have long-standing programs known as 'town tuitioning' – modern attempts to introduce school choice also began in the 1950s.

Minnesota, a perennial leader in education reform, enacted in 1955 a tax deduction program that allowed parents to offset various educational expenses at private schools. This was followed in the 1970s with an effort by Christopher Jencks who, in his work with the Office of Economic Opportunity, proposed school vouchers as a solution to the problems in big city schools. Eventually, a limited voucher program was established – with the initial support of the teachers' unions – in the school district of Alum Rock, California. However, this small program was quickly abandoned.

The next breakthrough came in the state of Wisconsin in 1990, when then Governor Tommy Thompson and a diverse group of community leaders, state legislators and parents worked together to enact a voucher program targeting low-income parents in the city of Milwaukee. This program was originally limited to only 1% of the total student population of Milwaukee Public Schools (MPS), roughly 1,000 children, and eligibility was limited to families at or below 175% of the federal poverty level. Parents could send their children to eligible non-sectarian schools. In 1995, however, the program was expanded to 15% of the total student population of MPS and religious schools were included among the options parents could choose.

Simply put, the program enacted for Milwaukee sparked a revolution. Since 1995, we have seen an explosion in the number of school choice programs introduced at the state level. In fact, in 2003, more than 20 states introduced voucher or tax credit legislation. Moreover, as the table below indicates, we have seen, on average, one new school choice program enacted every year since 1996. Voucher programs have been enacted in Florida, Colorado and the District of Columbia. Minnesota and Illinois have enacted individual tax credit programs to offset the cost of private education. Arizona, Florida and Pennsylvania have created scholarship tax credit programs that allow individuals or corporations to claim a tax credit for contributions made to non-profit organizations that distribute scholarships. This trend will likely continue in 2005.



Not only have we witnessed a significant growth in actual programs enacted, we are seeing a dramatic increase in the types of school choice legislation offered. In the early 1990s, the school choice movement concentrated on designing geographic specific, means tested voucher programs or small tax credit programs designed for individuals to offset certain approved educational expenses. However, since 1997, the policy options have multiplied significantly. In 2003, for example, types of legislation introduced at the state and federal levels included:

- Vouchers for children attending failing schools;
- Vouchers to ease overcrowding in public schools;
- Universal vouchers;
- Vouchers for children with identified special needs;
- Corporate and individual tax credits for donations to non-profits that target scholarships to children of inmates or military personnel;
- Universal tuition tax credits that allow any taxpayer to claim a credit to defray the cost of a child's tuition at private school;
- Vouchers targeted to specific, often large school districts.

In addition, since the 1990s, the amount of credible evidence as to the impact and effectiveness of school choice has increased dramatically. Others more qualified will be testifying on the available research; however, a quick recap of what we know is useful here.

1) School choice has not led to creaming the best students from public schools. Rather, more likely is that the opposite has occurred. As John Witte, the official evaluator of the Milwaukee program noted: "Students were from very low income families... Blacks and Hispanics were the primary applicants... prior test scores show [voucher] students were achieving less than low income MPS students."

2) Almost all studies show positive effects on test scores for students receiving vouchers. None shows a negative relationship between vouchers and test scores.

3) Evidence is mounting that there is a positive relationship between school vouchers and public school productivity and results. A study by Caroline Hoxby on the impact of Milwaukee's voucher program on public schools found that "At public elementary schools where many students could receive vouchers, performance increased faster than at public schools where relatively few students could get vouchers. Overall...public schools have a strong, positive response to competition from vouchers." Other studies of Florida's A+ Opportunity Scholarship Program and the long-standing programs in Maine and Vermont mirror Hoxby's conclusion.

The evidence for where we have come so far on school is, I think, clear. An old idea is once again being put into practice and the practice is being verified not only by the satisfaction of those participating in the programs but by those researching the programs. New laws allowing public funding for parents to attend private schools are enacted every year. Policy options are multiplying. Evidence is accumulating. And parents and children are getting access to more and more educational options.

This trend mirrors the growth in home-schooling and even fits with what is happening in government operated schools, which are offering more choice to parents than ever before. Magnet schools, charters schools, curriculum options, year-round schooling, supplemental services, inter-district choice, intra-district choice, public-private partnerships: these options are increasing every day.

The future of school choice can not help but continue in this direction of returning to the roots of American education, an education where funding follows children to a school of a parent's choice. As Stanford Professor Terry Moe argues in *An Education Agenda*:

> "Vouchers are not the only choice-based reforms that we can expect. For similar reasons there will be thousands of new charter schools offering choice and competition within the public system; lots of innovative contracting arrangements, in which private firms... are engaged to run schools and various kinds of tax credits that enable more families to go private. The new system will be a blend of all these (and more), and is best thought of as a mixed system of

> government and markets – a system that involves far more choice, competition, and privatization than our current system does."

As the issue of school choice continues to make progress, however, there are a number of items that should be kept in mind.

First, the number of parents eligible to exercise school choice should continue to expand. In the early 1990s, most of the efforts focused on providing choice to poor, inner city families or to children trapped in poorly performing schools. These are surely laudable efforts that should continue. However, the inequities of outcomes and financing present in the current system of public schooling will not be fully dealt with until choice is extended to a broader group of lower and middle income parents, without regard to school quality. In fact, a strong case could be made that of the 14 school choice programs, the most successful ones are those that offer options to more than just low-income parents. Two of the programs in Florida enacted in 1999 – the A+ Opportunity Scholarship Program and the McKay Scholarships for Students with Disabilities – make this point clear. After three years of operation, the A+ program, which is limited to children from failing schools, served 702 students in 2002-03 while the McKay program, which is open to all children with special needs regardless of income, served 9,202.

Second, encouraging the development and use of a wide array of educational delivery mechanisms is critical. To replace a one size fits all system (public schooling) with another one size fits all system (private schooling) merely repeats a mistake. Rather, the school choice movement should concentrate on supporting a number of different delivery vehicles. One of the key successes of Milwaukee's voucher program has been to stimulate a significant growth in the types of schools available to children. Cyber schools, charter schools, private schools, public-private partnerships, contract schools, traditional city public schools, suburban public schools: all of these help make Milwaukee a city of options where parents can choose the delivery mechanism that is best for their child.

Third, the school choice movement needs to ensure that the dollar amounts available to parents are significant enough to encourage movement among multiple education providers. This is particularly important for poorer parents who can't afford to pay twice for education, once in taxes and once in tuition. It is important also, however, for many middle income parents who are simply unable to stretch their budget far enough to cover private schooling.

Finally, and most importantly, rectifying the mistake of the common school movement should be a major priority. Every possible effort should be made to separate the government financing of education from the government operation of schools. As long as the customers, in this case parents and children, are unable to exercise real economic power, the producers, in this case schools and school systems, will prevail and the current, iniquitous system of education for the have's and have not's will continue uninterrupted.

With all this in mind, I would like to applaud Senator Alexander's efforts to introduce the Pell Grant Program for Kids. This program is a step in the right direction. It would enable a broad class of low and middle income parents to exercise greater educational freedom. In one swoop it would extend choice to millions of parents. It would enable parents to use the funds for a wide

array of educational delivery mechanisms, both public and privately operated. And while it only provides a limited grant amount for parents to use – something that could be remedied by allowing non-profit organizations to pool grant monies – it would ensure also that the funds set aside for the program go directly to the parent, the consumer, and not to the schools (or states).

In the end, I would suggest that Senator Alexander's proposal is far closer to the roots of American education than many other proposals that tinker around the edges of education reform. Not only is it in the best tradition of those who enacted the Servicemen's Readjustment Act of 1944 – the most comprehensive and most successful school voucher program ever created – it is undoubtedly in the best tradition of our founding fathers and the ideals of freedom and liberty they held dear.

Senator ALEXANDER. Mr. Kirtley, welcome.

STATEMENT OF JOHN KIRTLEY, VICE CHAIRMAN, ALLIANCE FOR SCHOOL CHOICE

Mr. KIRTLEY. Good morning, Senator. I am happy to be here, and the first thing I have to tell you is that I am not really qualified to talk about this subject today, and I say that because I am an inadequate messenger for the thousands of low-income parents that I have worked with in my home State of Florida and across the country who desire greater educational opportunities and freedom for their children. Only those low-income parents could really truly articulate their desire, as we heard from Ms. Hill earlier, their desire for school choice.

In 1998, I helped create a scholarship program, privately-funded, for low-income children in Tampa, and the scholarships pay up to $1,500 for kids to go from public school to private school. Now, we intentionally made this very hard for poor parents to participate in. They had to contribute a significant amount of their own money to participate. And we did no advertising. It was just myself going around to churches and housing projects, and in 4 months, for 700 scholarships, we received 12,000 applications in Tampa. Now, I was stunned by this response. I was stunned that so many families with incomes well under $20,000 were willing to make such tremendous financial sacrifices to have a choice for their children.

Now, I myself am a product of the Florida Public Schools, and I had a wonderful experience, and I think I turned out okay, and most kids do, but not all, and the difficulties facing low-income kids in public education today has been well documented and well debated, but what cannot be debated, in my opinion, is the desire of low-income parents to do the right thing for their children. And my experience with the scholarship program in Florida was repeated across the country. There was a national organization called The Children's Scholarship Fund that offered about 20,000 scholarships in cities across the country that were very similar, and they received 1.2 million applications from low-income families. In Baltimore, the City of Baltimore, roughly 30 percent of the public school children applied for a scholarship, just astounding.

Now I am currently Vice Chairman, as you said, of a group called the Alliance for School Choice. It is a non-profit organization that works to bring greater educational freedom and school choice to low-income families across the country. We believe that every parent, not just those with enough money, should be able to choose the right school for their children. School choice already exists in this country if you have enough money, because if you do, you either move to a neighborhood with good public schools or you pay tuition for a private school. Only those parents that do not have money do not have choices.

Now, some blame low graduation rates in our low-income areas on the inherent problems of poverty. There are some who say that low-income parents either do not know enough or do not care enough to choose the right school for their children, but I will tell you that based upon my experience with thousands of these parents, that these parents know full well and probably know better than anyone that the only way to a better life for their children is

education, and they are prepared to make tremendous sacrifices to have a choice for their children.

With our scholarships, these low-income parents have been empowered for the first time to choose the best school for their kids, and, remember, these scholarships are given to kids, not schools. So they are completely portable, and these parents are demanding customers. They do, in fact, switch their kids to different schools.

Personally, I think this debate should not be between public schools and private schools. We should be less concerned about systems and more concerned about children. Maybe it is time we define our definition of public education. Do we mean when we say that a guaranteed seat in a government-owned, government-run school assigned to you by your ZIP Code, and is that really the best definition for success in this age? I think maybe we should redefine public education to mean using taxpayer dollars to educate children in the best way possible. Now, if we accept that definition, who is the best party to decide the best way? Personally, I think it is the parents.

Now, I wish to urge one major change in this proposed legislation. I do not believe that $500 is enough to make a difference for a poor family. It is not enough to allow a significant amount of tuition help to enable a child to go to a private school, although there are very affordable and great private schools in urban areas. I would allow the tax credits to be consolidated by private scholarships programs like our own so that we could perhaps offer somewhat larger scholarship programs to individual poor children to enable them to really have a true choice in education. I might add that just in Tampa alone, we have over 200 schools participating in our program with an average tuition of about $4,000.

I would also allow the money to be used for transportation to a different public school because we are not trying to say that public schools are better than private schools or vice versa. There are great schools and not so great schools of both kinds. All we are trying to say is that low-income parents should have the right to choose. Now, some will argue—as we have heard today, some will argue that this program should not exist until we get more money to the public school systems, and yet we have cities like Washington, DC with a per-pupil spending of $12,000; New Jersey, $16–$17,000, and we have graduation rates of less than 40 percent. I think that we need to break out of the rhetoric and the old thinking and it is time we try something new, and I think that is empowering low-income parents.

Now, I am going to depart from my prepared closing statement and say that I wish Senator Dodd was still here, because I myself am a recent father, and I am so blessed to be that, and I know that she is 1 year old, and 4 years from now when it comes time for me to choose the right school for her, I will do anything I can to find the right school, and I know he would too. But the problem is that we can afford to do that, and Ms. Hill and others like her cannot, and until we do something about that, we are never going to change the inequities that exist in public education today.

So I really appreciate you furthering the dialogue, and I commend you for this program.

[The prepared statement of Mr. Kirtley follows:]

PREPARED STATEMENT OF JOHN KIRTLEY

Good morning. I am John Kirtley, and the first thing I want to tell you this morning is that I am not truly qualified to talk to you about this subject. I am an inadequate messenger for the thousands of low income parents that I have worked with in my home State of Florida and across the country who desire educational freedom and opportunity for their children. Only those low income parents could truly describe to you their desire for educational freedom. But I will do my best.

In 1998 I helped create a privately-funded scholarship program for low income families in the Tampa Bay area. The scholarships paid up to $1,500 per year towards private school tuition. We intentionally made this a difficult program for parents; they had to pay a significant amount of their own money to make use of the scholarships. We did no advertising; we simply visited churches and housing projects and talked about the program. In 4 months we received over 12,000 applications for 700 scholarships.

I was stunned by this response. I was stunned that families with incomes well under $20,000 would make tremendous financial sacrifices to be able to send their children to the school of their own choice.

I am myself a product of the Florida public schools, and I had a wonderful experience. Most children do—but not all. The challenges facing low income families in today's schools has been well documented and debated. Where there can be no debate is the desire of low income parents for more choices.

My experience with the scholarship program in Florida was duplicated in cities across the country. The Children's Scholarship Fund, which helped create private scholarship programs across the country in 1998, received 1.2 million applications from low income families for 20,000 partial scholarships. In Baltimore over 30 percent of the families of public school children applied for a scholarship.

I am currently Vice Chairman of the Alliance For School Choice, a nonprofit organization that works to bring educational freedom to low income families across the country. Our organization believes that every parent, not just those with enough money, should be able to choose the best school for their children. School choice already exists today—if you have enough money. Parents with adequate means either move to a neighborhood with good public schools, or they pay for tuition to a private school. It is only those parents without the means who can't make a choice.

Some blame the low graduation rates in our low income areas on the inherent difficulties of poverty. There are some who say that low income parents either don't know enough, or don't care enough, to choose the right school for their children. In working with thousands of these parents, I have found just the opposite to be true. The low income parents know that education is the only way for their children to have a better life than they themselves have known. They are prepared to make tremendous sacrifices in order to be able to choose their children's schools.

With our scholarships these low income parents have been empowered for the first time to do what is best for their children. The scholarships are given to children, not schools—which means they are completely portable to another private school. These parents are demanding consumers, and they do not hesitate to find use the scholarship at a different school if they are not satisfied.

This debate should not be about "public schools" vs. "private schools." We should be less concerned about the system and more concerned about the children. Perhaps it is time to re-examine our definition of "public education". Is it a guaranteed seat in a government-run, government-owned school assigned to you by your ZIP code? Is this the best definition for success? Perhaps "public education" should be defined as using taxpayer dollars to educate children in the best way possible. If we agree with that definition, who will decide what is the best way? And the best place? My experience has taught me that parents are the best party to make that decision.

I wish to urge one major change in the proposed legislation. I do not believe $500 is enough to make a difference for these families. It is not enough to allow low income parents to truly make a choice. I would change the bill to allow the $500 tax credits to be aggregated by nonprofit scholarship funds that serve low income children. This way, the individual contributions could be combined to offer scholarships in the amount necessary to make tuition payments affordable for low income families. I would also allow the scholarships to be used to pay for transportation costs to a different public school. The point of this legislation is not to say that private schools are better than public schools. There are good schools and bad schools in both categories. The point of this bill is to help low income families gain access to the right school, whether it be public or private.

This legislation, if modified as I suggested, would empower low income parents to make that decision. It would be a small but important step towards addressing the inequities that currently exist in education today.

Empowering low income parents with school choice is not the only answer to what ails today's system of public education. However, it is a vital and necessary one. We need the power of parental choice as one of the tools in the toolbox of reform.

Some will argue that a program such as this should not exist until public schools receive more money. Yet we see cities like Newark and Washington DC, which have the highest per pupil expenditures and the lowest graduation rates in the country. It is time we try something new—empowering low income parents with school choice.

Again let me apologize for being an inadequate messenger for all of those whom I represent here today. I could never do justice to their desire to do what is best for their children. I wish the millions of parents who applied for a scholarship could be here today to tell you why they did. I believe we have no greater crisis in this country than the inequities that exist in K–12 education. I urge you to take a small step towards erasing those inequities with this program. Thank you.

Senator ALEXANDER. Thank you, Mr. Kirtley.

Dr. Smith, welcome.

STATEMENT OF ROBERT SMITH, SUPERINTENDENT, ARLINGTON VIRGINIA PUBLIC SCHOOLS

Mr. SMITH. Thank you, Chairman Alexander, and thank you for the opportunity to speak here today, and I want to thank you for your obvious interest in improving public education. We thank you for your thinking about that. I just do not happen to think this idea is the idea that we need to implement.

Let me give you a little background. I am the Superintendent of the Arlington County Public Schools, as you indicated earlier. We enroll about 19,000 students. We have 31 schools and a number of separate programs, and among those 19,000 students, we have no majority ethnic group, about 43 percent white, about a third Hispanic, 10 percent Asian, 14 percent African American. About 40 percent of our students speak a first language other than English. About a quarter of our total students receive special services for English as a second language instruction, and among that group, we have 79 different languages and 99 different nationalities represented. I think by most measures, you will find we are doing fairly well with those populations.

I am here today representing the American Association of School Administrators and the Virginia Association of School Superintendents, both of which organizations oppose the use of vouchers, and the Virginia Association, for example, has a position that States, and I quote here: "VASS absolutely opposes tuition tax credits and any form of public money going to private schools under any name, such as vouchers, certificates, scholarships or portable entitlements."

I think that this proposal clearly represents a voucher, and I think that has been established in earlier discussion, that parents could use at private schools or public schools, and if families choose to send their children to public schools, they do not need a voucher. There is no tuition charged. They have a right to it. And if they spend their vouchers at private schools, it raises in my mind, at any rate, real questions regarding the appropriateness of using Federal funding for private schools, precluding increasing funds for current Federal education initiatives, the possibility of siphoning funds from current Federal educational initiatives, and problems with the accountability of the funds that flow to the private schools.

Additionally, voters around the country have proven they do not support these public dollars for vouchers by a 2-to-1 margin, the two most recent examples being in Michigan and California.

Public schools are accountable for all of the dollars spent, including an increased accountability imposed by the Congress under No Child Left Behind. Most of my colleagues and I oppose the use of Federal dollars in the form of vouchers, believing that such use represents an inappropriate use of Federal funds, spends Federal funds without adequate accountability, and diverts desperately needed dollars from our public schools, or at least has the potential of doing that.

Currently, Congress does not pay for all of its funding commitments. It would be irresponsible, I believe, to introduce a new program with a cost that you have estimated of up to $15 billion a year when Congress does not fund the other priorities it set, such as special education and No Child Left Behind. In the area of special education, Congress promised back in 1975 that it would pay for 40 percent of the national average per pupil expenditure for every child in special education. Today, Congress only funds the program at about 19 percent. In the upcoming school year, districts and States across the country, including ours, will have to cover an $11 billion Federal shortfall.

We are thankful at this time that all Members of Congress have pledged to meet the 40 percent commitment; however, at the rate of the recent $1 billion increases, Congress will never meet that commitment. The addition of a new Federal program will cost billions of dollars per year, but only prevent Congress from fulfilling its promise.

In Arlington, for example, we budgeted for next year school year slightly over $37.3 million for special education. We received this last year and projected for next year about $3.4 million or 10.6 percent of that total from the Federal Government under IDEA. We received about $4.3 million under NCLB, or No Child Left Behind. As a result of additional requirements of that legislation, we have had to budget an additional $1.1 billion in local dollars to meet additional testing, recordkeeping, and transportation requirements imposed by that act. We expect to receive about $13.5 million in Federal funds or about 3.8 percent of our total budget for this coming year. If additional Federal dollars do become available, and we would hope that they would, we would much rather receive them for underfunded or unfunded Federal mandates than for vouchers.

If Arlington were to receive the proposed vouchers based on this proposal, our district would find it difficult to deal with the instability funding from year to year, and this is because of the timing and that is something we can probably work with. There would be no guarantee that the same number of parents would use the dollars each year for their public schools. If parents determine where to spend the dollars at the beginning of June, the school districts would not get their dollars until August. Local budgeting would be uncertain at best.

The budget for Arlington Public Schools is adopted in the spring preceding the next school year, and if we had significant numbers of students, we would have to hire new teachers, get new student programming in place, all at the beginning of the school year. We

are facing that right now with the prospect of student transfers under No Child Left Behind.

In closing, I would say that vouchers are not an effective expenditure of Federal dollars. Instead, Congress should stick to fulfilling the promises already made in areas such as IDEA and NCLB before branching out to new programs. We must ensure that we are providing the necessary resources to make certain that we provide America's public education students with the tools they need to succeed in life.

Thank you again for the opportunity to testify.

[The prepared statement of Mr. Smith follows:]

PREPARED STATEMENT OF ROBERT SMITH, PH.D.

Chairman Alexander, Senator Dodd and members of the committee, my name is Robert Smith and I am the superintendent of the Arlington County Public Schools in Virginia. The Arlington Public Schools enrolls approximately 19,000 wonderfully diverse students across 31 schools and a number of special programs. Among these 19,000 students, there is no majority ethnic group, with 43 percent white, 32 percent Hispanic, 14 percent African-American and 10 percent Asian. About 40 percent of these students speak a first language other than English, representing 79 different languages and 99 different nationalities. Approximately one-quarter of our student body receives English for Speakers of Other Languages services and about 37 percent receive reduced or free meals.

I am also here today representing the American Association of School Administrators (AASA) and the Virginia Association of School Superintendents (VASS) of which I am a member. Both organizations oppose the use of vouchers as envisioned in this proposal. For example, the Virginia group's legislative position states: "VASS absolutely opposes tuition tax credits and any form of public money going to private schools, under any name, such as vouchers, certificates, scholarships or portable entitlements."

PELL GRANT FOR KIDS AS VOUCHER

Chairman Alexander's proposal clearly represents a voucher of $500 that parents could use at private or public schools. If families choose to send their children to the public schools, the proposed vouchers would not be needed. If families spend their vouchers with private schools, it raises questions regarding the appropriateness of using Federal funding for private schools, precluding increasing the funds for current Federal educational initiatives, siphoning funds from current Federal educational initiatives, and the accountability of Federal dollars flowing to private schools. Additionally, voters around the country have proven that they do not support the use of public dollars for vouchers by a two to one margin. This was seen most recently in both Michigan and California.

Public schools are accountable for every dollar spent, including an increased accountability to the Federal Government through No Child Left Behind. Most of my colleagues and I oppose the use of Federal dollars in the form of vouchers, believing such use would represent an inappropriate use of Federal funds, would spend Federal funds without adequate accountability and would divert desperately needed dollars from our public schools.

FUNDING PRIORITIES

Currently, Congress does not pay for all of its funding commitments. It would be irresponsible to introduce a new program with a cost of up to $15 billion a year, when it is not funding other priorities such as special education and No Child Left Behind. In the area of special education, Congress promised back in 1975 that it would pay for 40 percent of the national average per pupil expenditure for every child in special education. Today, Congress only funds the program at only 18.65 percent. In the upcoming school year, districts and States across the country, including ours, will have to cover an $11 billion Federal shortfall. We are thankful at this time that all Members of Congress have pledged to meet the 40 percent commitment; however at the rate of the recent $1 billion increases, Congress will never meet that commitment. The addition of a new Federal program that will cost billions of dollars per year will only prevent Congress' ability to fulfill its promise in special education.

In Arlington, we budgeted for next school year slightly over $37.3 million dollars on special education. We received $3.4 million dollars or 10.6 percent of that total from the Federal Government under IDEA. We received $4.3 million dollars under NCLB, but as the result of additional requirements of that legislation Arlington Public Schools had to budget an additional $1.1 million in local dollars to meet additional testing, record keeping and transportation requirements. In total, we expect to receive a total of about $13.5 million dollars in Federal funds, or about 3.8 percent of our total budget for the upcoming year. If additional Federal dollars become available, we would much rather receive them for underfunded or unfunded Federal mandates than for vouchers.

PROGRAM FEASIBILITY

If Arlington were to receive the proposed vouchers based on this proposal, our district would find it difficult to deal with the instability of funding from year to year. There would be no guarantee that the same number of parents would use the dollars each year for their public schools. If parents determine where to spend their dollars at the beginning of June and school districts will not get the dollars until August, local budgeting would be uncertain at best. The budget for Arlington Public Schools is adopted in the spring of the preceding year. In addition, it would be difficult to hire teachers and get new student programming into place all in time for the start of the school year. Adding an unknown number of dollars late in the summer would prevent any careful planning as to how to expend the new dollars.

CONCLUSION

In closing, vouchers are not an effective expenditure of Federal dollars as the Pell Grants for Kids suggests. Instead, Congress should stick to fulfilling the funding promises already made in areas such as IDEA and NCLB before branching out to new programs. We must ensure we are providing the necessary resources to ensure that we provide America's public education students with the tools they need to succeed in life.

Thank you for the opportunity to testify here today.

Senator ALEXANDER. Thank you, Dr. Smith, and thanks to each of you.

Dr. Smith, do you agree that the Pell Grant for college students is a voucher?

Mr. SMITH. Depending on how you define voucher, sure.

Senator ALEXANDER. Well, Webster defines it as a negotiable certificate that can be redeemed as needed.

Mr. SMITH. I will agree that it is a voucher.

Senator ALEXANDER. Would you agree that the child care certificate on which we spend $8 billion a year, we give to 2.3 million families and parents may spend at a variety of types of programs, would you agree that is a voucher?

Mr. SMITH. Sure.

Senator ALEXANDER. Then why does the idea of a voucher bring such a visceral opposition from the public school community? I mean, I have been through this argument for years, and maybe you can help me understand this better. I mean, here we are in higher education where the fastest growing part of higher education is really for-profit institutions, and Congress competes among ourselves to provide more Federal dollars to go to students who are increasingly choosing for-profit institutions, yet I have yet to hear one president of a State university come up and ask that we not fund Pell Grants fully. Why is there that difference?

Mr. SMITH. I think part of the difference was pointed out earlier in that we educate all children. We do not make distinction among the children who live in our neighborhoods and come to our schools. We take them all.

Senator ALEXANDER. If I may, sir, you assign students to schools. Right?

Mr. SMITH. Sure.

Senator ALEXANDER. So you do not——

Mr. SMITH. We also provide choices.

Senator ALEXANDER. But do you write every child at the beginning of the year and ask their parent, ask them where they want their child to go to school and then do your best to put them there?

Mr. SMITH. No.

Senator ALEXANDER. So you assign kids.

Mr. SMITH. We do assign kids and we also have schools to which they may apply.

Senator ALEXANDER. So you give them a limited number of choices.

Mr. SMITH. Limited number, sure.

Senator ALEXANDER. Yes. But in the higher education system, I am sitting there at the University of Tennessee with 3,000 students, more or less, who are going to show up in August. We do not know if they are all going to come or not. Some of them might go to Vanderbilt or Maryville College or Fisk. That was able to work pretty well. It seems to me one of the main reasons that we have such a strong higher education system is we have autonomy. We do not have all these Federal rules that you have to deal with all the time, and we have competition for faculty. We have competition for research dollars. And we have competition for students.

Is there nothing in that model that ought to be introduced in K through 12?

Mr. SMITH. I do not know. There may be some things we should introduce, perhaps the Federal commitment to the funding, the level of funding.

Senator ALEXANDER. Well, what if I offered to create $5,000, sponsor a bill that said we will give every child in your district $5,000 Federal dollars to spend at any accredited school or academic program of their parents' choice?

Mr. SMITH. Just in that district?

Senator ALEXANDER. Well, we will do it all across the country, but including your district. That would be my proposal, $5,000; not $500, but $5,000.

Mr. SMITH. Would they be able to take that $5,000 outside of the district to private schools?

Senator ALEXANDER. Yes, just as they would a college.

Mr. SMITH. Then I would suggest that we would have the same result that you have in college, which is extremely disparate results based upon the college the student attends.

Senator ALEXANDER. But, sir, all of the best colleges in the world are in the United States, and we have a higher percentage of our students going on to college than any other country, and we have poor results on the average in K through 12.

Mr. SMITH. We have very disparate results in K through 12. I think that is true, but I think it is also true that you have very disparate results in higher education.

Senator ALEXANDER. But——

Mr. SMITH. Even with a more select population.

Senator ALEXANDER. Shanghai University is just one list. When you are in Europe, Tony Blair and Gerhard Schroeder are both in political trouble, and they are putting their necks on the line to remodel higher education to make it look more like American higher education because it is so important to their country's future. I visited here with the former president of Brazil, and I asked him what would he remember when he left the Library of Congress residency, to go back to Brazil. He said he would remember the autonomy and the excellence of our great universities.

And having worked with this for a long time, I think you must be a very successful superintendent. You have got good records of achievement, but why would it not be better to have a system in Arlington where you had very few Federal rules and where you had generous Federal funding to the families and let you compete to attract those students? And what I have tried to do here is to reduce your objections by saying, Well, instead of giving $5,000, we will give only $500; that is not enough to get them over to another private school; we will apply all the same Federal civil rights; we will make it all new dollars; instead of spending it in Iraq, we will spend it on education.

But that still does not seem to provoke a glimmer of interest in the public school establishment toward this kind of funding.

Mr. SMITH. I have very strong interest in those kinds of dollars coming to the Arlington Public Schools, and we would welcome them without the Federal regulations.

Senator ALEXANDER. But you do not want the parents to have anything—can you think of anything you would allow the parents to have to say about how the Federal dollars are spent?

Mr. SMITH. Sure, and they do through the ballot box. And my major concern——

Senator ALEXANDER. They can either choose——

Mr. SMITH. My major concern with the allocation of dollars in that way is that they can choose the non-public alternatives where you do not have the accountability procedures.

Senator ALEXANDER. Yale is not a worse school because it is not a public school.

Mr. SMITH. I did not suggest that.

Senator ALEXANDER. Well, it does not have the same accountability procedures that University of Tennessee would or the University of Connecticut would.

Mr. SMITH. I can tell you that Arlington Public Schools is committed to educating every child that comes in its doors and it does not make any distinction among those children, saying one can come in and another cannot. That is not true of private schools.

Senator ALEXANDER. They have to come by neighborhood. They cannot come from the next county. And you can suspend them and often do.

Do you know Ted Seizer; do you know who he is?

Mr. SMITH. Yes, I do.

Senator ALEXANDER. Is he a distinguished educator?

Mr. SMITH. He is.

Senator ALEXANDER. He wrote an article in 1968 in *Psychology Today* called "A Proposal for Poor Children's Bill of Rights." It was to give a Federal coupon to perhaps 50 percent of American chil-

dren through their parents to be spent at any school. It might be as much as several thousand dollars a year, and what about the argument that this scheme might destroy public schools, Mr. Seizer said in his article. "Those who would argue that our proposal would destroy the public schools raise a false issue. A system of public schools which destroys rather than develops positive human potential now exists. It is not in the public interest, and a system which blames its society while it quietly acquiesces in and inadequately perpetuates the very injustices it blames for its inefficiency is not in a public interest. If a system cannot fulfill its responsibilities, it does not deserve to survive, but if the public schools serve, they will prosper."

Don't you think that your school district, if parents had a lot of money in their pockets that was new and given to them to spend at educational institutions, would choose your schools?

Mr. SMITH. I think they probably would.

Senator ALEXANDER. Then what is the fear?

Mr. SMITH. I think the concern is having the support siphoned off from the public schools and going to private schools that serve a different set of purposes and do not have the same commitments to serving all children, and I think we have an interest in this country in making certain that all children learn well and become good citizens.

Senator ALEXANDER. Thank you very much, Dr. Smith.

Dr. Goldring, you live in Nashville, I guess.

Ms. GOLDRING. Yes, I do.

Senator ALEXANDER. We raised our children there. I have always wondered why the metropolitan school board in Nashville, which probably has 7,000 children now——

Ms. GOLDRING. Correct.

Senator ALEXANDER. Something like that. Why didn't it just write a letter to all of the parents in February and ask them where they wanted their child to go to school and say list your first three choices and we will do our best to send them there? I have friends this year who are moving into Nashville, and they are renting an apartment rather than buying a house so they can be in a particular school. I mean, they are going to great odds to find a way to get into just the right school. Why have we gotten into this school assignment practice in America?

Ms. GOLDRING. I think one reason, and especially in a place like Nashville, has to do with the history of desegregation and court orders. So before choice became a public school movement, there was student assignment by neighborhood and there were widely segregated schools, and then busing came, and then white flight came, and school boards were in the business of deciding where kids go to school, and that was one of the main ways in which they implemented their educational policies. That has become such a time consuming complicated system for school boards as enrollments change, as students move in and out of neighborhoods, and as they are trying to now balance the necessity of having equity and integrated schools, many times with court orders being lifted.

I think one of the reasons why school boards do not do it is commitment, and we talk about will and capacity. In order to have a system of open choice even within the public sector, and some dis-

tricts do open enrollment, you need a lot of will and a lot of capacity and commitment to be able to do that and to do it effectively and also to be able to do it such that it is really equitable, because high-income parents—and I am not saying that low-income parents cannot choose and I am not saying that they do not know what is in the best interest of their children, but their access to information and good sources of information needs to be brought to them in a different way than what you and I know.

A quote that we often use from our own research when we talk to magnet school parents is one parent said, You know, if I am not in the market for a used car, I do not read the classified ads. So if you have always been told where you go to school and it is a neighborhood culture—because in Nashville, for example, we have magnet schools that are highly undersubscribed, and there can be a magnet school next to a housing project and the parents from the projects are not going to that school. And when you ask then why, first of all, they say they think that the magnet schools are private schools, and these are schools that have no entry requirement other than they need to fill out quite a simple form by a certain date. So that is one reason.

And the second reason is their older brothers and sisters and everyone in the project goes to a certain school, and they feel connected to that neighborhood school, and that is where their kids always go. They may know the principal. They may know the teachers. So it is not part of the culture.

So by just saying everyone is going to choose, it is not that simple.

Senator ALEXANDER. No, it is not, but in the case of Pell Grants, Pell Grants go to the poorest of the families who have children who want to go to college, and we still let them make the choice about where to go to school, and in terms of the child care vouchers, they go to some of the poorest families in America, and we have 2.3 million of those parents who make choices about the day care for their children.

Ms. GOLDRING. Yes. I do not know the exact numbers, and I am sorry. I actually had them with me in my bag, but for the Pell Grants or for higher education, one needs to look at the college attendance rate of low-income families. When we talk about Pell Grants for Kids, we are talking about parents or teenagers that have access to higher education. We are not talking about the percent of the cohort, of the percent of the low-income cohort, that does not access the grant or does not even go on to higher education, and as you know from Tennessee, we do not have a high college-going rate. So I think this question about universal education and choice, using the higher ed analogy, we need to really look carefully about what percent of low-income high school graduates actually go on to college and access the Federal, State, and other funding opportunities, and I would suggest that we have a similar problem of access, that opportunities are there, but many low-income high school graduates are not availing themselves of those opportunities.

Senator ALEXANDER. One other question, if I may: You spoke of the Pell Grant as a grant.

Ms. GOLDRING. Yes.

Senator ALEXANDER. And not a voucher, and I understand why you say that. I think I can probably win an argument with a dictionary that the Pell Grant is a voucher and the Stafford Loan is a voucher and the child care certificate is a voucher and there are a lot of vouchers, but what we have come to talk about in America is that Pell Grants are scholarships and vouchers are hated things that public school people do not like because it might hurt the schools and give parents who cannot make choices the opportunity to make bad choices. What I am trying to do is listen to all the objections that the public school leaders have and say what can I do to minimize those objections as I fashion a way to give parents some more choice.

So you said that you described this as a grant. You were thinking in terms of public schools, and you said you thought the $500 was not enough to cause most families to take the money to enroll in another private school, which is exactly what Mr. Kirtley said. He has a different opinion than Dr. Smith. He thinks that would be a good thing. Dr. Smith thinks that would be a bad thing.

Have you got any other advice for me about how to fashion a proposal that might bridge this debate we have been having for 20 years in the country that says despite the fact that we spend Federal dollars every year for children up to age five and then we give their parents—I mean, you have the situation where a poor parent has the right to get a voucher for her day care and decide where to spend it. She has the right to get a voucher for her community college and decide where to spend it. But we say it is bad for her to have a voucher, a $500 voucher for her first grader or her high school senior.

Now, what suggestions do you have about how to fashion a proposal that would both attract more Federal dollars for education and began to give parents more say about how the money is spent?

Ms. GOLDRING. And at the same time not worry the public school?

Senator ALEXANDER. Well, I would like to worry them less, because then I will have different testimony from Dr. Smith and fewer speeches from Senator Dodd. I am trying to get a bill through the Senate.

Ms. GOLDRING. I know. Let me talk about what I think concerns some of the public school educators first. It is fear that although you call it new dollars—and again, I think if you look at the trends—and it may be helpful to have some of the higher ed financial aid specialists come to testify at a future time. If you look at some of the trends, often what happens, as new funding comes in, it allows old funding to be reduced, and although you say new dollars, I think people are very nervous that today it is new dollars, maybe 10 years it is new dollars, but ultimately it will start meaning a shift either of cutting title I money or reducing funding from other programs to be brought into the new dollars, and then public schools are going to be left holding the bags on both sides. So I think that is one concern.

Senator ALEXANDER. Okay.

Ms. GOLDRING. I think the other concern is a double standard about accountability. So if I am a public school and I have to meet No Child Left Behind and I have to report my data and I have to

disaggregate and then I am in a private school and I accept children, do I have to be held to those same accountability standards, at least on outcome, and do I have to publicly report and do I have to use the same tests and do I have to be held to the same standards? And that is complicated because, as people said here, we want to respect private entities for offering a different curriculum.

You know, as a high-income parent, you can also then buy your way out of accountability framework if you think your child is in fear of failing and not getting a high school diploma, because you can go to a private school that does not require—I imagine they do that with the vouchers. So I think that is the second thing.

Senator ALEXANDER. Don't you think parents buy their way into a better school if they can, rather than a worse school?

Ms. GOLDRING. Well, it is not necessarily a worse school. No, I do not think they are buying their way into a worse [sic] school. I think they are buying their way into a different system that does not have to meet those accountability frameworks, and it does not mean it is better or worse. They could be emphasizing different things, not necessarily standardized tests. That was my point.

Senator ALEXANDER. If I may, I am afraid we are about out of time, and I wanted to get to Mr. Enlow and Mr. Kirtley.

Ms. GOLDRING. I understand.

Senator ALEXANDER. Thank you. That is very, very helpful.

Now, both of you come from the point of view of saying—I should not put words in your mouth. I do not think I am putting words in your mouth. From your written testimony and from your statements, you ideally would like to see a system, I gather, where Federal dollars went to parents and parents chose the schools. What advice would you have for me? You made a couple of suggestions about how to fashion a piece of legislation that would increase the number. What I am trying to do is create more Federal dollars for local schools than otherwise would be spent and create fewer strings on the dollars and give parents more say. Now, from the point of view of school choice advocates, what advice do you have for me in developing this legislation?

Mr. KIRTLEY. Senator, if your question is, and I think you stated it earlier, how am going to reduce or eliminate opposition for the concept of parental empowerment from the existing public school system, I am not sure you are going to be able to, and I want to commend our guest from the Miami-Dade Public School System. You heard him talk. He actually already embraces the idea of choice. He knows that if they do a great job, that families will choose the public schools. They are not afraid to compete, but that was a very, very difficult thing to institute down in Florida, and if you are looking for cooperation in a situation where you are asking people to give up money and power, it is very hard to do.

So I am sort of at a loss in that regard in terms of how to reduce the opposition.

You know, "voucher" is just a word. It is just a word, and another word is "accountability". What does that really mean? I come from the business world. I have now dedicated myself to this cause, but I used to be in business, and in business, accountability was very simple. It meant if you do not do the job, you do not provide the service, you lose the customer. That to me is what accountabil-

ity means, and if you are a single mom in Tampa, FL making $18,000, and you are assigned to a school that is not performing, you cannot make a choice. There is not that kind of accountability for that school, and it is interesting. We talked about testing and the like. We did a survey of all the schools in our program, the private schools, and 95 percent of them already administer a nationally-recognized reference standardized test like the Stanford Nine.

The reason for that is very simple. The parents demand it. The market demands it. They want to know if their children are performing, because they are paying for part of it. They are empowered consumers.

So other than the design change that I described in my testimony, aggregating the scholarships, I think that would be the one change I would recommend, and again, in terms of trying to convince people to give up money and power, I wish you the best of luck, because I have found it very difficult in the past.

Senator ALEXANDER. Mr. Enlow.

Mr. ENLOW. Unfortunately, Mr. Chairman, I have to agree with Mr. Kirtley that it is very difficult to overcome the opposition on this, but it is an educational program that you could continue with, as I know you will.

One policy thing that I might suggest in addition to pooling the resources, allowing non-profits to pool the resources for parents would be one way to stimulate greater choices. It would also be to increase the number of options that parents could spend the money on. One of the things about Milwaukee—two things I would like to note about the Milwaukee program, one to combat the fiscal argument that it drains money. Every year, the Milwaukee program has been in operation, they have seen an increase in State aid per pupil to the city district. So this level of choice is not taking away money from public schools, but I also would like to say what they are doing is they are creating a city of options. They are creating multiple delivery mechanisms, cyber schools, charter schools, public schools, private choice schools, public-private partnerships, contract schools, just a whole host of different delivery mechanisms.

So the more delivery mechanisms you can include in your legislation, I think the better and more likely it will be to pass.

Senator ALEXANDER. Thank you very much. We have gone over the time. It has been enormously interesting discussion for me. We have had a wide diversity of opinion presented, which I greatly appreciate.

To summarize just for a minute, this is just the beginning of an effort on my part—and I hope that of other colleagues—to try to see if we can learn something from how we fund our colleges and universities and apply it to help improve and create better access to our elementary and secondary schools. It seems wise to me if the way we have funded and organized the higher education system has produced the best colleges in the world, there is bound to be something we can learn from that in improving kindergarten through 12th grade. It seems to me one way to do that is to increase the autonomy of individual schools. Our colleges have great autonomy. In other words, they do not have lots of Senators and Congressmen and others telling them what to do. Other schools, our public schools, are loaded down with lots of rules and regula-

tions. I think increasing autonomy for schools is one way, and I think creating more competition and more choices is another way, and Federal funding can do that in a way State funding cannot because it is an add-on.

So I have tried to fashion this in a little different way than the typical voucher that we have talked about other vouchers, as the example of a D.C. voucher. We are not talking about taking money away from a public school and giving it to a private school. At least in my proposal, we are not. We are talking about finding new money, and of course money is always uncertain, but it is a matter of priority. We have a big budget. We have a third of all of the money in the world in the United States, and we need to put a higher priority on education. I would put it by allotting money to K through 12 and finding a way to get the parents more involved with spending that money.

That is my goal. And I may not be on quite the right track, but I would like help in getting on the right track, and I would hope my Republican colleagues and others who are adverse to spending more Federal dollars for public schools would realize that should be a priority of ours, particularly if we can get parents more involved, and I would hope my Democratic colleagues and those in the public school establishments who in the past have been totally opposed to this kind of voucher would think again and say, "Well, if he is talking about new money, if he is talking about a smaller amount, and if he is talking about applying the same sort of nondiscrimination provisions, that, you know, maybe 85 percent of it would end up in our schools. And if it is $115 million more dollars for the Miami-Dade County School system than it would otherwise have, maybe that would be good instead of bad."

So I greatly appreciate the staff's hard work in putting this together. We would welcome any additional comments the witnesses have. We would like to have them in the next week. I think we have begun to build a good record. We are going to put together a working group of Senators and staff members over the next few months to develop legislation, and I look forward to introducing legislation in the next Congress.

Thank you very much. The hearing is adjourned.

[Additional material follows.]

ADDITIONAL MATERIAL

THE NATIONAL COALITION FOR PUBLIC EDUCATION,
July 14, 2004.

Committee on Health, Education,
Labor, and Pensions,
U.S. Senate,
Washington, DC 20510.

DEAR SENATOR: A hearing is scheduled before the Senate Committee on Health, Education, Labor, and Pensions to consider a voucher proposal termed "Pell Grants for Kids." The National Coalition for Public Education (NCPE) strongly opposes the diversion of public money to private schools through vouchers, and therefore urges you to oppose this proposal.

Cost. The proposed Pell Grants for Kids would cost $2.5 billion in new funds during its 1st year, just to provide a modest $500 voucher to low- and middle-income children entering kindergarten and 1st grade. Programs authorized under No Child Left Behind are already underfunded by more than $9 billion. If new money is available, we recommend it be allocated to existing public school programs, rather than to an experimental voucher program. Furthermore, full implementation of the program would inevitably lead to cuts in existing programs. Proponents disingenuously claim that the annual expense of $15 billion could be achieved without cutting existing programs, because they propose to divert new title I appropriations to these vouchers, and hold funding for the current title I programs steady at current levels. Given the increased costs associated with inflation and population increases, services would obviously suffer severe cuts without concurrent funding increases.

Feasibility. According to a fact sheet distributed by the office of Senator Lamar Alexander, parents would designate by June 1 of each year a public or private school or other academic program to be the recipient of funds, which would be transferred by the U.S. Department of Education by August 1 for use during the school year. Accordingly, local school districts would not learn until funds were in hand the total amount available, rendering appropriate budgeting, hiring, facilities management, and other planning processes impossible. Rather than enhancing local control, this voucher program would hopelessly skew the local decision-making process.

Accountability Because this program would divert public funds to private schools that are not accountable to the public, it suffers from the same accountability flaws as every voucher program. A review of news articles, especially from Florida, recounting the horrors that result from the lack of accountability in existing voucher programs should be sufficient to discourage further diversion of hard-earned taxpayer dollars. The fact that wrongdoers who defraud taxpayers may eventually be caught and brought to justice is no substitute for public accountability.

Not Like Pell Grants. Although Senator Alexander asserts that his proposal is modeled after Pell Grants for higher education, that comparison ignores some vital distinctions. Pell Grants are authorized and funded to help students from low-income families attend college, because this country recognizes the benefit of providing incentives to attend college, as well as the need to provide financial assistance. Because elementary and secondary education is compulsory, no incentives are needed to encourage enrollment, and because it is provided free of charge, no financial assistance is needed to attend either. For further clarification of the difference between a voucher and a Pell Grant, please refer to the attached fact sheet.

In a fact sheet distributed regarding the proposed Pell Grant for Kids, Senator Alexander's office admits that this program is a voucher. The Senate has repeatedly rejected vouchers, which divert funds from public schools to private schools that are not accountable to the public, and do nothing to improve our public schools. The undersigned organizations strongly urge you to oppose this misguided and expensive diversion from the real problems facing our schools today, and work instead for proven reforms that will provide every child access to an excellent public school.

Sincerely: American Association of School Administrators, American Association of University Women, American Civil Liberties Union, American Federation of State, County and Municipal Employees (AFSCME), American Federation of Teachers American Humanist Association Americans for Religious Liberty, Americans United for Separation of Church and State, Anti-Defamation League, Association of Educational Service Agencies, Association for Supervision and Curriculum Development, Central Conference of American Rabbis Council for Exceptional Children Council of the Great City Schools, General Board of Church and Society of The United Methodist Church, HUUmanists (formerly Friends of Religious Humanism), NA'AMAT USA, National Association of Elementary School Principals National Association of

School Psychologists, National Association of State Directors of Special Education National Black Child Development Institute Inc., National Council of Jewish Women, National Education Association, National Organization for Women, National PTA, National Rural Education Association, National School Boards Association, People For the American Way, Service Employees International Union, Union for Reform Judaism, Unitarian Universalist Association of Congregations United Church of Christ Justice and Witness Ministries Women of Reform Judaism.

NATIONAL COALITION FOR PUBLIC EDUCATION:
VOUCHERS ARE NOT LIKE PELL GRANTS

Some voucher proponents assert that vouchers are "merely" Pell Grants for elementary and secondary education, and charge public education supporters with hypocrisy for supporting financial assistance for higher education, while opposing it for K–12. This cynical assertion fails to recognize the huge distinctions between these programs.

The Pell Grant program is the largest need-based Federal postsecondary student financial aid program administered by the U.S. Department of Education. Its purpose is to provide grant assistance to help students from low-income families achieve their dreams of postsecondary education. Because elementary and secondary education in this country is compulsory, no incentives are needed to encourage enrollment; and because it is provided free of charge, no financial assistance is needed either. In no instance is post-secondary education provided free of charge.

A college student's receipt of Federal financial aid through a Pell Grant is legally considered aid to the institution, thus making colleges and universities subject to Federal civil rights laws, including:

- *Title VI of the Civil Rights Act of 1964,* which prohibits discrimination on the basis of race, color, and national origin;
- *Title IX of the Education Amendments of 1972,* prohibiting sex discrimination;
- *Section 504 of the Rehabilitation Act of 1973,* which prohibits discrimination on the basis of disability;
- *Title II of the Americans with Disabilities Act of 1990;* which prohibits disability discrimination by public entities, whether or not they receive Federal financial assistance; and
- The Age Discrimination Act of 1975. Schools that do not comply with Federal civil rights laws are subject to loss of Federal funds.

In sharp contrast, many voucher proponents insist that this aid does not flow to the school, but to the parent or student, specifically to allow participating private schools to evade Federal civil rights laws, and maintain discriminatory policies. For example, H.R. 684, the District of Columbia Student Opportunity Scholarship Act specifically states in section 4:

(e) Not School Aid.—A scholarship under this act shall be considered assistance to the student and shall not be considered assistance to an eligible institution.

To be eligible for Pell grants, institutions of higher education must meet a three-prong eligibility test. They must:

- Be accredited by an agency recognized for that purpose by the Secretary of Education.
- Be licensed or otherwise legally authorized to provide postsecondary education in the State in which it is located, and
- Be deemed eligible and certified to participate in Federal student aid programs by the Department of Education. This participation rate is based on student loan default rates at the schools.

Additionally, the "accrediting agency" must have consistent standards to assess schools in a number of specific area including success in student achievement, completion and other outcome measures such as default rates. In contrast, voucher proposals for elementary and secondary education typically do not impose any public accountability requirements on participating private schools, much less the same measures that apply to public schools.

Due to the impressionability of young people, the Supreme Court has distinguished between the use of government funds in colleges and elementary and secondary schools, where funding might be construed as government endorsement of the religious message. This distinction was first articulated in *Tilton* v. *Richardson,* 403 U.S. 672 (1971), in which the Court held that "There are generally significant differences between the religious aspects of church-related institutions of higher learning and parochial elementary and secondary schools. [C]ollege students are less impressionable and less susceptible to religious indoctrination." Because "high

school instruction is given in a structured and controlled environment and in more confined facilities than is usual in the open, free, and more fluid environment of a college campus . . . the possible perception by adolescent students that government is communicating a message of endorsement of religion . . . would be vastly different in a high school setting than the perception of such action by college students in a college setting."[1]

Finally, the Supreme Court has distinguished college assistance from programs aiding elementary and secondary schools on the basis that most religious colleges are not pervasively sectarian. In *Tilton* v. *Richardson*, the Court ruled that [since] religious indoctrination is not a substantial purpose of these church-related colleges, [there] is less likelihood than in primary and secondary schools that religion will permeate the area of secular education. This reduces the risk that government aid will in fact serve to support religious activities.

In *Witters* v. *Washington Department of Services for the Blind* (1986), the Court held that a disabled student's use of vocational educational assistance funds for tuition at a Bible college did not violate the Establishment Clause because the Court viewed the program primarily as providing vocational assistance to the disabled, and not as one in which "any significant portion of aid . . . will end up flowing to religious education." Religiously-affiliated elementary and secondary schools, however, are pervasively sectarian. According to its mission statement, for example, Villa Angela-St. Joseph High School in Cleveland, "strives to bring each student to a deeper commitment to Jesus Christ and Gospel values." At Saint Ignatius High School, also in Cleveland, a student "should come to realize that he is invited to follow Jesus and work with Him to build God's kingdom on earth." Part of the mission of Annunciation Catholic Elementary School in Hollywood, Florida, is to "educate our young people . . . to be faith-filled Christians in the Catholic tradition." Clearly, Federal aid to these schools through a voucher could not help but flow to religious education.

Pell Grants provide assistance to low income students seeking higher education, which is not provided free of charge, but is the key to success in this country. Civil rights protections and accountability follow this Federal investment in higher education. Elementary and secondary school vouchers, however, even when they are termed "Pell Grants for Children," undermine accountability, strip students using them of their civil rights protections, and are not needed to promote attendance as is the case in higher education, since attendance is already compulsory, and provided free of charge to every child.

[Whereupon, at 12:22 p.m., the hearing was adjourned.]

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[1] *Widmar* v. *Vincent*, 454 U.S. 263 (1981). See also, *Jones* v. *Clear Creek Independent School District,* 977 F.2d 963 (5th Cir. 1992), citing Widmar for the principle that age is inversely proportional to impressionability, from university students to secondary school students.