MEMORANDUM

April 22, 2002

To: Wisconsin Education and Legislative Reporters, Editors, and Columnists

From: Ralph G. Neas, President
People For the American Way

RE: Key education proposals in the Wisconsin Legislature

The 2001-2003 proposed budget recommendations from the Wisconsin Assembly and Senate could have a major impact on the state’s ability to deliver quality education in a way that is both fiscally responsible and accountable to the public. People For the American Way (PFAW) and our more than 7,500 Wisconsin members believe that much is at stake as the Legislature seeks to reconcile the differences in proposals from the two chambers. There are three proposals that PFAW believes are of particular importance as legislators move to address these issues.

I. Eliminate the Milwaukee voucher surcharge

Begun in 1990, the Milwaukee Parental Choice Program (MPCP) is the nation’s oldest publicly-funded school voucher program. This school year, the estimated cost of MPCP is $59.4 million. Of the program’s cost, 45 percent is funded by a reduction in state aid to the Milwaukee Public Schools, and the other 55 percent is taken from the state’s general purpose revenues.1

Wisconsin taxpayers may have a variety of opinions about MPCP, but whether they support vouchers or not, they are paying a painful price for it. Instead of receiving vouchers to cover the tuition that they normally charge students, private schools that participate in the program receive the often significantly higher per-pupil expenditure, up to a maximum amount set by the state. In fact, no other publicly funded voucher law pays such a ‘surcharge’ to private schools. Even Partners Advancing Values in Education—a Milwaukee-based, private-school scholarship program that provided scholarships from 1998-1999—paid only half the cost of tuition.2

The surcharge serves as an additional drain on taxes dollars that could otherwise be devoted to public schools. In the 1999-2000 school year, for example, taxpayers overpaid Milwaukee private and religious schools by at least $16.4 million. Over a two year period (from 1998-2000), this overpayment reached nearly $28 million. In all, more than three-quarters of the
91 voucher schools that participated in 1999-2000 received payments that exceeded their tuition costs per pupil. During the back-to-back school years of 1998-1999 and 1999-2000, 46 percent of the voucher program’s cost was absorbed by these overpayments.  

For example, while a parent wishing to send her child to Urban Day School would have been asked to pay tuition of $1,000 for the 1999-2000 school year, the state of Wisconsin was far more generous—paying Urban Day $5,080 per student. This surcharge amounted to $4,080 per student. Voucher payments to Messmer Catholic School were $2,106 higher per student than the $3,000 in tuition that the religious school charges parents.  

The voucher surcharge is being paid legally due to the formula in the law. At a time when state officials must make major budget cuts to close a $1.1 billion state budget shortfall, permitting this surcharge to linger would be inexcusable. The impact of this budget’s crisis on public schools and the children they teach will be worsened unless the law’s formula is revised to eliminate these overpayments.

As the budget debate moves into high gear, State Senator Russ Decker has taken the lead in insisting that this wasteful voucher surcharge be eliminated, redirecting these millions of dollars to fund legitimate priorities. (For example, $11 million of the $23 million freed up from changes in MPCP would be returned to the city’s public schools for special education and other needs.) The issue isn’t whether one supports or opposes MPCP. After all, even many voucher supporters would be shocked to learn of the millions in tax dollars that are being wasted by Wisconsin’s one-of-its-kind surcharge. Decker’s proposal to revise MPCP does nothing to change the number of children who participate in the voucher program, but it does eliminate a surcharge that unnecessarily worsens the state’s fiscal condition. Decker’s proposal deserves the support of his fellow legislators and the governor.

II. Hold voucher schools to the same standards as public schools

In recent years, state legislatures and Congress have taken a variety of steps to make public schools more accountable to parents and taxpayers. But even though the Milwaukee voucher program diverts large sums of taxpayer funding to private and religious schools—$59.4 million this school year alone—these private schools are not being held accountable in the same ways as public schools.

Indeed, a double standard of accountability persists in Wisconsin, as voucher schools effectively avoid complying with laws or standards concerning such issues as financial disclosure, testing and anti-discrimination protections. The obstacles to admission that voucher schools present to special needs students are a good example of how private schools aren’t playing by the same rules. While Milwaukee voucher schools cannot bar special education students from attending, they can and do turn their backs on such students by excluding special education services. In fact, the Legislative Audit Bureau found that only 8 percent of voucher schools reported that they offered special education services.

Moreover, many Milwaukee voucher schools’ own descriptions of their services clearly reflect the inability or unwillingness to serve students with physical or learning disabilities.
A quick look at EPIC (Empowering Parents for Informed Choices in Education), an online Milwaukee school database for parents, provides insight into this practice. Under the section “Categories of Students Which School Cannot Serve,” Harambee Community School reports that it has no special education teachers, making it “unable to service children with a learning disability, physical disability and emotionally disturbed [sic].” Gospel Lutheran “cannot serve wheelchair-bound students.” Blessed Sacrament writes: “Students who have severe emotional or behavioral problems need specific programs to assist them—we do not have a counselor or social worker.” Other voucher schools have posted similar messages on EPIC.

To ensure that voucher schools are accountable to Wisconsin taxpayers in the same way that public schools are, State Senator Russ Decker has authored a series of measures that were approved by the Senate in its version of the budget. Beginning with the 2003-2004 school year, Decker’s proposals would generally apply the same kind of standards and responsibilities to voucher (and charter) schools that currently apply to public schools. For example, voucher schools receiving public dollars would be required to adopt policies and procedures to ensure they do not discriminate in admissions or any other aspect of the school’s program on the basis of sex, race, religion, national origin, ancestry, pregnancy, marital or parental status, sexual orientation, or physical, mental, emotional or learning disability.

Similarly, MPCP schools would have to adopt the same academic standards as public schools in math, reading and four other subjects, and would be required to administer, at certain grade levels and subjects, either the state tests or comparable tests developed by the schools themselves. These schools would also have to follow the same guidelines that public schools follow for deciding to include or exclude students in their testing programs due to disabilities, limited English proficiency, or other factors.

Finally, Decker’s proposals would give parents and members of the public access to school documents and governance meetings in voucher schools—the same access that Wisconsin citizens now have to public school documents and meetings. Anyone who believes it is unnecessary to apply these rules to voucher schools should talk to parents at Harambee Community School, a Milwaukee voucher school. More than 100 parents whose children attend Harambee gathered at the school earlier this year to peacefully protest the failure of Harambee’s board of directors to follow its bylaws on electing a school administrator. Harambee officials responded by calling the police. The voucher school’s reaction stunned one community leader. “There were paddywagons,” she told the Milwaukee Journal Sentinel, “and I couldn’t believe they called the police on parents ….”

On the Assembly side, State Rep. Christine Sinicki has been a leading advocate for ending the double standard on accountability. Other legislators should join her in supporting Decker’s proposals ensuring that public tax dollars—whether they go to public or private schools—are not subsidizing practices that discriminate against students, withhold important information from parents, or undercut quality education in other ways. These proposals also deserve the support of Governor McCallum.
III. Protect the SAGE class-size program from efforts to weaken it

Earlier this year, President Bush signed the reauthorization of the Elementary and Secondary Education Act (ESEA) or what he called the No Child Left Behind Act. Interestingly, one term appears more than 100 times in ESEA—“scientifically based research.” The goal of ESEA’s bipartisan supporters, explained recently in Education Week, is to “base school improvement efforts less on intuition and experience and more on research-based evidence.” But a Wisconsin Assembly proposal to permit “flexibility” in the Student Achievement Guarantee in Education (SAGE) program would allow politics to trump the extensive research that proves the success of SAGE.

Started in 1996, SAGE is a statewide program that has enjoyed strong bipartisan support and is targeted to low-income students in grades K-3. SAGE provides participating schools with $2,000 per student to reduce classes to 15 pupils per teacher. The program requires participating schools to hold extended hours and provide community services to district residents. SAGE guidelines also require the development of rigorous curriculum and staff development, as well as systems to assess student progress. This school year, more than 81,000 students statewide are participating in SAGE.

There is extensive research-based evidence about the success of SAGE. In an evaluation of SAGE and comparison schools, 29 of the top 30 classrooms as measured by student achievement in language arts, reading and math were SAGE classrooms. The achievement gap in language arts and math between African American and white first-grade students was reduced in SAGE classrooms while it increased in comparison schools. African American second- and third-grade students in SAGE schools scored higher on every test than did African American students in the comparison schools. Results from the recently released 5th-year evaluation of SAGE reinforce these findings. It’s worth noting that—unlike SAGE—the Milwaukee voucher program has not been evaluated since 1995, when the Legislature eliminated the academic evaluation requirement for the program.

These conclusions are consistent with research obtained on the impact of class-size reduction program in other states. For example, smaller classes were identified as one of the “major contributions” to significant achievement gains in Texas during the 1990s. Researchers in Tennessee compared the progress of students who were in smaller K-3 classes in 1985-1989 to students who attended regular-sized classes. The project, called the Student-Teacher Achievement Ratio or STAR, found that those who were in the smaller classes in K-3 outperformed their peers in larger classes during those years. More significantly, however, the smaller-class students continued to outpace their peers in math, reading and science for many years to come. In fact, the gap in test scores between students in the smaller classes and the regular classes increased over time. As with SAGE, the benefits of Tennessee’s class-size reduction were especially pronounced for minority and disadvantaged students. For example, the black-white gap in the probability of taking college-preparatory exams was cut in half for those minorities who had been in smaller classes.

Unfortunately, the positive effects of SAGE could be significantly undercut. Last month, Republican leaders in the Wisconsin Assembly successfully pushed for a budget provision
that calls for “flexibility” in the SAGE program. Specifically, the proposal would permit a school district to “alter a contract or renewal of a contract to reduce class size to 15-to-one, by notifying [the Department of Public Instruction] by July 1. While this language is ambiguous, its impact could be very detrimental to low-income children.

The “flexibility” provision would permit districts to ignore one of SAGE’s core components by reducing class size in only one or two grade levels rather than for all grades from kindergarten through third grade. For example, a school could potentially receive SAGE funds for reducing pupil-teacher ratios to 15:1 in kindergarten and grade 1 classes, but forgo the creation of smaller classes for grades 2 and 3. Diluting SAGE in this way would also dilute the benefits of the program.

At first thought, any reduction in class size—even for a few grades—might seem beneficial. But the four-year period of SAGE was developed on the basis of research showing that learning in smaller classes over a sustained number of years has a positive effect on academic success. Bear in mind that the students who received the long-lasting academic benefits of smaller classes in Tennessee’s STAR program had attended those smaller classes for four consecutive years (grades K-3). Therefore, giving schools or school districts such “flexibility” would seriously compromise a core component of SAGE. Moreover, it is highly questionable whether students who are in smaller classes for only a one- or two-year period would secure the same benefits that SAGE has provided for tens of thousands of children.

This so-called flexibility could also open the door to future efforts to waive or weaken other key parts of SAGE, such as the staff development for teachers, a rigorous curriculum, or community outreach to parents and other residents of a school district. While Governor McCallum has voiced support for full funding of SAGE, this commitment means little if one of the program’s major components is jettisoned. State legislators who are pushing this “flexibility” provision would do well to remember the adage: “If it ain’t broke, don’t fix it.” The Legislature and the governor should uphold their commitment to low-income students by opposing the Assembly’s misguided plan for SAGE “flexibility.”

ENDNOTES

2 Letter from State Sen. Russ Decker’s office, transmitted to People For the American Way by e-mail on April 17, 2002.
4 Voucher school tuition data were collected from the Empowering Parents for Informed Choices in Education web site (available at http://epic.cuir.uwm.edu/EPIC/English/index.html), Public Policy Forum, and the schools themselves. Information on state voucher expenditures is taken from audited reports by the Wisconsin Department of Public Instruction.
5 Letter from State Sen. Russ Decker’s office, transmitted to People For the American Way by e-mail on April 17, 2002.
6 ibid.
13 ibid.
14 “SAGE Facts,” Wisconsin Department of Public Instruction, 2001; available at www.dpi.state.wi.us/, accessed April 2002. (Note: Schools that elect to participate in SAGE must reduce class sizes for all students throughout the grade, not simply in those classes with low-income students since to do otherwise would result in economic segregation of students; SAGE therefore has a multiplier effect, helping all students at that grade level.)
19 A report by the pro-voucher Wisconsin Policy Research Institute (WPRI) contended that there is no SAGE impact on student achievement beyond first grade and sought to link this claim to what it argued were similar limitations in the results from the Tennessee STAR experiment. Charles M. Achilles, STAR Principal Investigator, has pointed out that the WPRI report ignored many important publications on STAR from the last several years and, instead, relied on the work of Erik Hanushek and his now widely-criticized methods to make the argument that class size reduction is not a cost-effective intervention. By doing so, WPRI discounted the overwhelming evidence that for students who spend three or four years in smaller classes the positive benefits on student achievement and educational outcomes are both immediate and long-lasting. See Wisconsin Policy Research Institute, “The costs and benefits of smaller classes in Wisconsin: A further evaluation of the SAGE program,” Wisconsin Policy Research Institute Report, vol. 13, no. 6, September 2000; Charles M. Achilles, “A review of ‘The costs and benefits of smaller classes in Wisconsin,’” Education Policy Project, Center for Education Research, Analysis, and Innovation, University of Wisconsin - Milwaukee, September, 2000.