

Council for American Private Education

CAPE outlook

Voice of America's private schools

Senator Alexander Proposes "Pell Grants for Kids" to Help Close Education Gap

If Senator Lamar Alexander (R-TN) has his way, Pell Grants would not be just for college anymore. Last month the senator announced a far-reaching proposal to extend the program—a foundation of college financial aid—to elementary and secondary education through what he calls Pell Grants for Kids.

"A half century after *Brown v. Board of Education*, our country is still in need of an educational system on equal terms," Alexander said in an address at the New America Foundation in Washington, D.C. "A Pell Grant for Kids would narrow the gap between wealthy and poor school districts, give parents new consumer power to improve schools, and help fund the requirements of No Child Left Behind."

The proposal would establish a \$500 annual scholarship for school-age children from families with incomes below a state's median. Families could use the money at a public, private, or charter school, or at an approved academic program such as one that provides after-school tutoring. Public school parents could combine their grants to fund innovative programs or school improvements of their choosing.

In its first year the program would be limited to students in kindergarten and first grade and would cost an estimated \$2.5 billion in new funding that would not be diverted from any existing programs. Over time, annual increases in federal education aid, other than funds for special education, would be earmarked for the new grant program, allowing it to be extended to students in additional grades.

In a related speech the same day on the Senate floor, Alexander said the program would provide "more federal dollars, fewer federal strings, and more parental say over how the federal dollars are spent." Pointing to indicators of unequal student achievement—by senior year only 17 percent of black students and 20 percent of

Hispanic students read at grade level—Alexander said such outcomes "cry out for a different model." He said his approach would introduce "entrepreneurship and choice into a system of monopolies" without raising property taxes.



Senator Lamar Alexander (R-TN) speaks about Pell Grants for Kids at the New America Foundation in Washington, D.C.

To those who think his promise of educational improvement without an increase in taxes or federal control is pie in the sky, the senator suggests they look at the nation's system of higher education, which he calls "the best in the world." Pell Grants have "diversified and strengthened America's colleges and universities by applying the principles of autonomy and competition." Such grants "follow America's students to the colleges of their choice," a sharp contrast, he says to "the local monopolies we have created in kindergarten through 12th grade education, where dollars flow directly to schools with little or no say from parents."

In a hopeful vision for the future, Alexander believes the new grants will encourage public school principals to come up with innovative programs to attract the support and grant dollars of parents: "advanced math classes, writing workshops, after-school programs, English lessons—

whatever is lacking due to funding constraints."

The presumption is that most private school parents would use the grants to offset tuition, but in public schools, parents could pool the money to establish schoolwide programs. In a school enrolling 800 low-income students, for example, parents would collectively control \$400,000. And in a school where only a portion of parents were eligible for the grants, it would be those eligible parents—the low-income parents—who would wield the added clout.

In his address in the Senate, Alexander emphasized the importance of giving parents control over new federal education dollars. "Otherwise," he said, "we will continue to invest in the same bureaucracies that have disappointed poor and minority families for too long." He also said the program would give "poor and middle-income parents more of the same choices of educational opportunities wealthier families have" and would do so "without harming the public schools."

Giving people choices is the cornerstone of the proposal. The senator reminded his colleagues that since 1947, when the G.I. Bill was enacted, federal postsecondary dollars "have followed students to the colleges of their choice." The government wouldn't think of telling students where to go to college, he said. "We give people choice and have created the best colleges in the world." He said the same formula could be used to help create the best elementary and secondary schools in the world.

The senator, who chairs the Children and Families Subcommittee, said he hopes to introduce a bipartisan bill soon and, with Senator Judd Gregg (R-NH), to hold a hearing in the Health, Education, Labor, and Pensions Committee sometime this summer so as to set the stage for action next year.



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Pell Grants for Kids: Q-and-A

The following questions and answers are excerpts from a document prepared by staff for Senator Lamar 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 twelfth grade and who come from families whose income is below the state median family income. As a reference point, 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 funds 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 families? 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-price 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.

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 kindergarten and first grader with a \$500 scholarship. Title I would continue at \$12.3 billion. Other education programs would increase as Congress deemed appropriate.

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.

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.

Bolick Launches New National Policy Group



Clint Bolick, president and general counsel of the Alliance for School Choice, speaks at the National Press Club on May 17. Seated, from left, are Rebeca Nieves Huffman, president of Hispanic Council for Reform and Educational Options (CREO); Virginia Walden-Ford, executive director of D.C. Parents for School Choice; and Heather Prigg, a student at Archbishop Carroll High School in the District of Columbia.

Fifty years to the day after *Brown v. Board of Education* engaged the nation in pursuit of equality of educational opportunity, Clint Bolick, a nationally prominent champion of school choice, announced an ambitious venture to “make the promise of *Brown* a reality.”

Bolick’s new national policy group, the Alliance for School Choice, and its lobbying arm, Advocates for School Choice, will work with advocacy groups across the country to promote school choice for disadvantaged children. The twin organizations will pursue school reform with some formidable resources, including leadership, research, training, financial support, and legal assistance. “For the first time, the school choice movement will have the ability to go toe-to-toe with the defenders of the status quo,” said Bolick. “David has just gotten a little stronger in the fight against Goliath.”

At a news conference on May 17 at the National Press Club, Bolick noted the persistently wide achievement gap between minority and majority students, despite huge investments and many programs designed to attack the problem. He said ten years ago the average achievement gap between black students and white students in their senior year of high school was three years. Today it is four. Moreover, nearly half of black and Hispanic students never graduate from high school. “A poor child in an inner-city school today is less likely to go on to college or productive livelihood than to end up on public assistance or in jail,” Bolick said.

The main reason for the achievement gap, according to Bolick, is that low-income families cannot control where their children go to school. “We’ve tried everything,” he said, “except transferring power over basic educational decisions from bureaucrats to parents.” He

called school choice “the only education reform that allows children to leave failing schools and attend good schools today—not 10 years from now, not \$10 billion dollars from now, but today.”

In an exchange with a reporter during the news conference, Bolick pointed out that upper-income families who move to the suburbs in search of a better education for their children get substantial government help that is unavailable to low-income families: tax deductions for their mortgage interest and property taxes. He said the state still discriminates against the poor when it comes to education, though in ways more subtle than before *Brown*. “We still have educational separation,” he observed. “The job simply is not done.”

Bolick told reporters that choice does two things: it provides an “educational life preserver” to needy children, and it sparks improvement in public schools. As evidence of the latter, he cited the dramatic progress among the poorest performing public schools in Florida that faced school choice for children in failing schools. He also offered the research by Caroline Minter Hoxby of Harvard University that shows the positive effects of school choice on public school performance.

On the question of whether government money should be spent to improve public schools or to allow parents to choose alternative schools, Bolick believes it should do both, calling school choice “an engine that will allow public schools to improve.”

For Bolick, the push to empower low-income parents is the “civil rights issue of our generation.” His plans to promote the movement include a meeting with CAPE’s state representatives later this month in Chicago.

Senate Acts on IDEA

The Senate last month voted 95-3 to approve a bipartisan bill to reauthorize the Individuals with Disabilities Education Act (IDEA). The bill now goes to a conference committee to reconcile differences between the House version of the reauthorization and the Senate version. Both chambers must then approve the conference report before President Bush can sign the bill into law.

The House and Senate bills treat IDEA services to children with special needs in private schools essentially the same way the current law does. Such students collectively are entitled to services financed by a share of a school district’s IDEA funds—a share equal to the proportion of the district’s special-needs children who are enrolled in private schools. So, if 10 percent of children with special needs in a district attend private schools, the district is obliged to spend 10 percent of its IDEA allocation on services for those children.

But while essentially retaining the existing approach, both the House and Senate versions include important improvements in provisions relating to children placed by their parents in private schools. Most of the improvements are in both bills, though a few exist only in either the House or Senate rendition. A complete list of the private school provisions, including a breakdown of where they exist, is available at: <http://www.capenet.org/new.html>. Also available on the same site is CAPE’s side-by-side comparison of the text of the House and Senate sections that relate to students in private schools.

The obvious objective of the private school community during the House/Senate conference will be to see that the committee retains the best provisions of each bill. As it becomes available, more information will be posted on CAPE’s Web site at:

<http://www.capenet.org/new.html>

Return service requested

CAPE notes

★ “Fifty years ago, it might have been inconceivable that an African American man would be standing before you today as the secretary of education of the United States of America. America might have been one country back then, but for those of us with a skin color other than white, we lived in a union of states that formed a country, but one that was hardly united....

“It was hardly an environment that inspired many of my friends to dream of college or the full American dream—a promise that seemed denied to us. But I was one of the lucky ones. I had parents who were both educators and who instilled in my four siblings and me a deep belief that education was the ticket to freedom. It would lift our souls, enlighten our minds, give us the keys to a better life. Education would emancipate us, prove to the world that we were as smart as whites, that we could achieve....

We have indeed made great strides since the *Brown* decision. But I believe our work is far from over. Factually speaking, this country does not yet provide the equal opportunities for millions of children that would fulfill the *Brown* promise....

“That lack of progress is the source of my impatience. The children at the bottom—the minorities, the special education students—have stayed at the bottom. We have to help them. It is in the national interest to empower them with the tools to learn, to achieve and to better their

lives....

“The *Brown* chapter is now closed. The age of accountability and choice is just beginning. We have truly turned the corner. We will look back on this moment years from now and realize that we were all present at the start of a new era in education, one where all children counted, where all children were given a chance, where all parents could understand and penetrate the system, and where they were treated like customers. And we will be a better society for it.”

(U.S. Education Secretary Rod Paige, commemorating the 50th anniversary of Brown v. Board of Education at the Cato Institute on May 11, 2004.)

★ When her three sons complain about their uniforms and ask why they can't attend public school, Lesley-Anne Jones, a fifth-grade teacher in New York City's Public School 158, has a ready answer: “I'm your mother, and I know what's good for you.” According to The New York Times (May 19, 2004), Ms. Jones and her husband spend \$900 each month, “the equivalent of almost two weeks' take-home pay from her job,” to send her sons to the Trey Whitfield School, a Baptist school in Brooklyn.

The Times reports that the Jones family is far from unique. They are part of a growing cadre of working-class black parents—“[p]robation officers, nurse's aides, office managers, subway conductors”—whose “departure from urban school sys-

tems, not only in New York but also across the nation, represents one of the most significant and little-noticed trends in public education.”

Many black parents, reports the Times, find private schools to be traditional, safe, and stable. What's more, “Nobody can argue with the results.” Over 90 percent of fourth-grade students in Trey Whitfield meet state standards in reading and math. Students go on to top-notch high schools, and in eighth grade, “all Whitfield students are required to collect information about colleges. The assumption, not the hope, is that they will attend.”

Whitfield has 470 students and nearly 100 on the waiting list. The article makes reference to research by CAPE board member Gail Foster, indicating that about 400 historically black independent schools in the U.S. serve 52,000 students. The piece also draws on statistics from the National Catholic Educational Association, showing minority students now account for 25 percent of Catholic school enrollment, up from 10 percent in 1970.

★ Outstanding student leaders in high school are eligible for the annual U.S. Senate Youth Program. Two students will be selected from each state to attend a free trip to Washington, D.C., in February 2005. Delegates will visit Congress and will hear “major policy addresses” by senators and cabinet members. Applications are available at <http://www.hearstfdn.org/ussyp/>