

# SCHOOL CHOICE ISSUES IN THE STATE



#### **School Choice for Indiana:**

Many agree with the concept. Some disagree. And some simply want more information. As the public debate continues to grow about how best to provide a quality education to all Indiana children, it is important to know the facts about parent choice, and how parent choice programs have had an impact on communities, parents and students around the country. All of this analysis is done with one goal in mind: The best possible education for all of Indiana's children.

## Florida's Lessons for Indiana K-12 Reform

**Prepared By:**

Matthew Ladner

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Friedman Foundation for Educational Choice

**September 2009**

A MESSAGE FROM THE FRIEDMAN FOUNDATION:

## OUR CHALLENGE TO YOU

Our research adheres to the highest standards of scientific rigor. We know that one reason the school choice movement has achieved such great success is because the empirical evidence really does show that school choice works. More and more people are dropping their opposition to school choice as they become familiar with the large body of high-quality scientific studies that supports it. Having racked up a steady record of success through good science, why would we sabotage our credibility with junk science?

This is our answer to those who say we can't produce credible research because we aren't neutral about school choice. Some people think that good science can only be produced by researchers who have no opinions about the things they study. Like robots, these neutral researchers are supposed to carry out their analyses without actually thinking or caring about the subjects they study.

But what's the point of doing science in the first place if we're never allowed to come to any conclusions? Why would we want to stay neutral when some policies are solidly proven to work, and others are proven to fail?

That's why it's foolish to dismiss all the studies showing that school choice works on grounds that they were conducted by researchers who think that school choice works. If we take that approach, we would have to dismiss all the studies showing that smoking causes cancer, because all of them were conducted by researchers who think that smoking causes cancer. We would end up rejecting all science across the board.

The sensible approach is to accept studies that follow sound scientific methods, and reject those that don't. Science produces reliable empirical information, not because scientists are devoid of opinions and motives, but because the rigorous procedural rules of science prevent the researchers' opinions and motives from determining their results. If research adheres to scientific standards, its results can be relied upon no matter who conducted it. If not, then the biases of the researcher do become relevant, because lack of scientific rigor opens the door for those biases to affect the results.

So if you're skeptical about our research on school choice, this is our challenge to you: prove us wrong. Judge our work by scientific standards and see how it measures up. If you can find anything in our work that doesn't follow sound empirical methods, by all means say so. We welcome any and all scientific critique of our work. But if you can't find anything scientifically wrong with it, don't complain that our findings can't be true just because we're not neutral. That may make a good sound bite, but what lurks behind it is a flat rejection of science.

# Florida's Lessons for Indiana K-12 Reform

Prepared By:

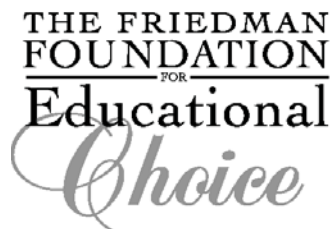
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## Issues in the State

**An Empirical Evaluation of the Florida Tax Credit Scholarship Program**

*August 2009*

**The Fiscal Impact of Tax-Credit Scholarships in Oklahoma**

*June 2009*

**The Fiscal Impact of a Corporate & Individual Tax Credit Scholarship Program on the State of Indiana**

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**The High Cost of Wisconsin's Dropout Rate**

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**Educational Spending: Kentucky vs. Other States**

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**The Formula Behind Maryland's K-12 Funding**

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**The High Cost of Maryland's Dropout Rate**

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**Utah Public Education Funding: The Fiscal Impact of School Choice**

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**Segregation Levels in Milwaukee Public Schools and the Milwaukee Voucher Program**

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**Florida's Public Education Spending**

*January 2006*

**Spreading Freedom and Saving Money: The Fiscal Impact of the D.C. Voucher Program**

*January 2006*

**The Constitutionality of School Choice in New Hampshire**

*May 2005*

**An Analysis of South Carolina per Pupil State Funding**

*February 2004*

**A Guide to Understanding State Funding of Arizona Public School Students**

*January 2004*

**The Effects of Town Tuitioning in Vermont and Maine**

*January 2002*

# Executive Summary

Jeb Bush campaigned for Governor on a clear and bracing set of education reforms in 1998. Having won office, he immediately pursued a dual track strategy of education reform: standards and accountability for public schools, choice options for dissatisfied parents. Florida lawmakers followed these reforms with additional measures, including instructional based reforms, curtailing social promotion, merit pay for teachers, and additional choice measures.<sup>1</sup>

Governor Bush met fierce resistance. Ten years after his election, this study lays out the evidence on the cumulative impact of his reforms. The National Assessment of Education Progress tests representative samples of students in every state on a variety of subjects and is the nation's most reliable and respected source of comparable K-12 testing data across states.

In 1998, 47 percent of Florida fourth-graders scored "below basic" on the NAEP reading test, meaning they couldn't read. By 2007, 70 percent of Florida's fourth graders scored basic or above—a remarkable improvement.

After a decade of strong improvement, Florida's Hispanic students now have the second-highest reading scores in the nation; and African-Americans score fourth-highest when compared to their peers.

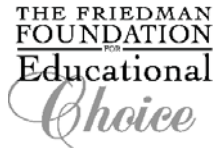
The average Florida Hispanic student scored higher than the overall average score for all students in Alabama, Alaska, Arizona, Arkansas, California, Hawaii, Louisiana, Mississippi, Nevada, New Mexico, Oklahoma, Oregon, South Carolina, Tennessee and West Virginia. Florida's African Americans went from being far behind their peers in Indiana to be significantly ahead of them. Hispanic students in Florida score approximately a grade level above Indiana Hispanics, and have moved to within striking distance of the statewide average for all students in Indiana.

The pages that follow lay out the Florida reforms, and suggest how they could be emulated and/or exceeded in Indiana.

## About the Author

Dr. Matthew Ladner is vice president of research for the Goldwater Institute, and is a Senior Fellow of the Friedman Foundation for Educational Choice. Ladner has written numerous studies on school choice, charter schools and special education reform. Ladner is a graduate of the University of Texas at Austin and received both a Masters and a Ph.D. in Political Science from the University of Houston. Ladner previously served as director of the Center for Economic Prosperity at the Goldwater Institute and as vice president of policy and communications at Children First America.

## Friedman Foundation for Educational Choice



The Friedman Foundation for Educational Choice, dubbed “the nation’s leading voucher advocates” by the Wall Street Journal, is a nonprofit organization established in 1996. The origins of the foundation lie in the Friedmans’ long-standing concern about the serious deficiencies in America’s elementary and secondary public schools. The best way to improve the quality of education, they believe, is to enable all parents with the freedom to choose the schools that their children attend. The Friedman Foundation builds upon this vision, clarifies its meaning to the public and amplifies the national call for true education reform through school choice.

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## Introduction

### Revolutionary Reform and Results in Florida Schools

In education reform, no state has been a more aggressive “laboratory of democracy” during the past decade than Florida. Florida has implemented reforms designed to foster accountability and improvement, including: establishing high academic standards, implementing innovative student-centered testing policies, ending social promotion and increasing early intervention, creating new pathways for hiring and compensating quality teachers, and offering parents greater school choice options.

A revolution is defined as a large change occurring in a relatively short period of time. Progress in Florida’s public schools certainly qualifies. After ten years of reforms, higher test scores demonstrate that these reforms are collectively having a large positive impact. The gains of Florida’s 4th and 8th grade students on the National Assessment of Educational Progress (NAEP) examination far exceed the progress of students across the nation. Importantly, the so-called “achievement gap” is narrowing in Florida, since African-American and Hispanic children are making even greater progress than their white peers on the NAEP examination.

Policymakers across the country should look to Florida’s experience as a model demonstrating that education reforms can lead to positive outcomes such as improved student learning. Given the strong gains seen, especially among disadvantaged students, policymakers have a duty to examine the success of Florida’s reforms.

This paper examines the evidence of academic achievement gains and reviews a decade of education reforms in Florida. The paper concludes by offering recommendations for policymakers in other states who wish to learn from Florida’s experience.

## Indiana’s Lost Decade on Education Reform

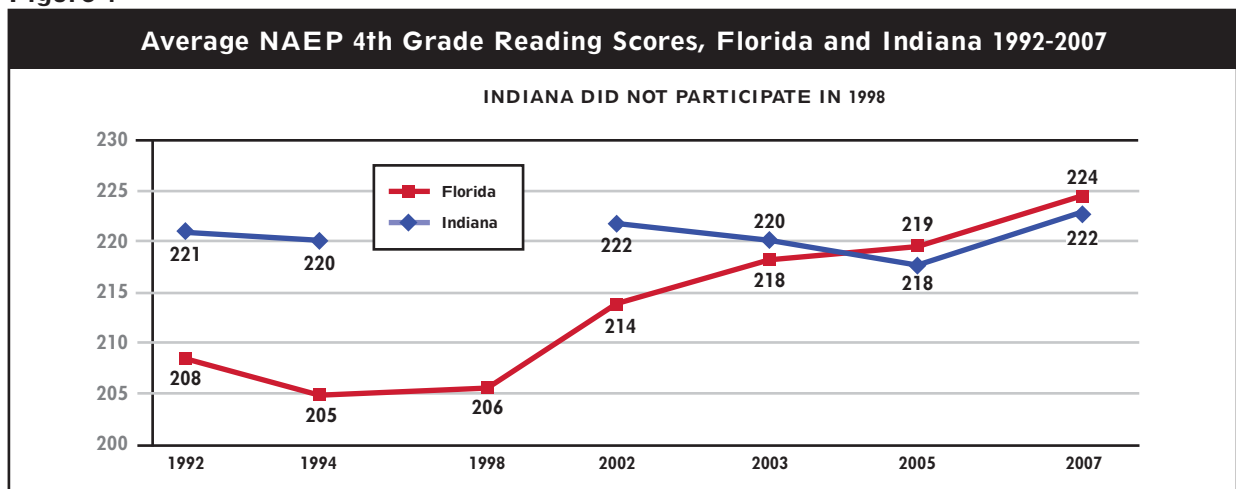
National and state test results show that Florida students are making considerable progress in reading and mathematics exams. This progress is demonstrated on the National Assessment of Educational Progress (NAEP).

The National Assessment of Educational Progress—the so-called “Nation’s Report Card”—is the best instrument for comparing academic achievement trends of students in different states. The NAEP is regularly administered to a representative sample of students in each state. Education experts widely regard NAEP as the nation’s most credible source of education data. Schools and/or districts do not have their performance evaluated or their schools labeled based upon NAEP. Unlike many state exams, it is not possible to “teach to the test items” on NAEP, as the items are not exposed. In short, the incentive or ability to cheat on NAEP are both very low, and NAEP’s standards are high, leading to widespread respect.

Florida has made substantial NAEP progress across subject and grade levels. This paper focuses on 4th grade reading scores. The development of early literacy skills proves crucial to the overall academic success of students. Many students failing to learn reading in the early grades fall further and further behind grade level with each passing year. Unable to read their textbooks, they often become frustrated, bored and/or disruptive. Such students drop out of schools in disproportionate numbers beginning in late middle school. Reformers have therefore long recognized early reading skills as a linchpin measure of academic success or failure. Improving early literacy skills is necessary, though not sufficient, to improving education outcomes overall.

The reader should bear in mind that while NAEP tests are on a 0-500 point scale, a change of 10 points roughly approximates a grade level worth of learning.

Figure 1





A Texan might describe the Indiana trend as being as flat as the highway between Dallas and Fort Worth. Indiana's 4th graders scored 221 in 1992, and 15 years later, they scored 222. Outputs were stagnant, but inputs were not. Current spending per pupil in Indiana was not flat—in constant dollars it increased by 32% between 1990 and 2005.<sup>2</sup>

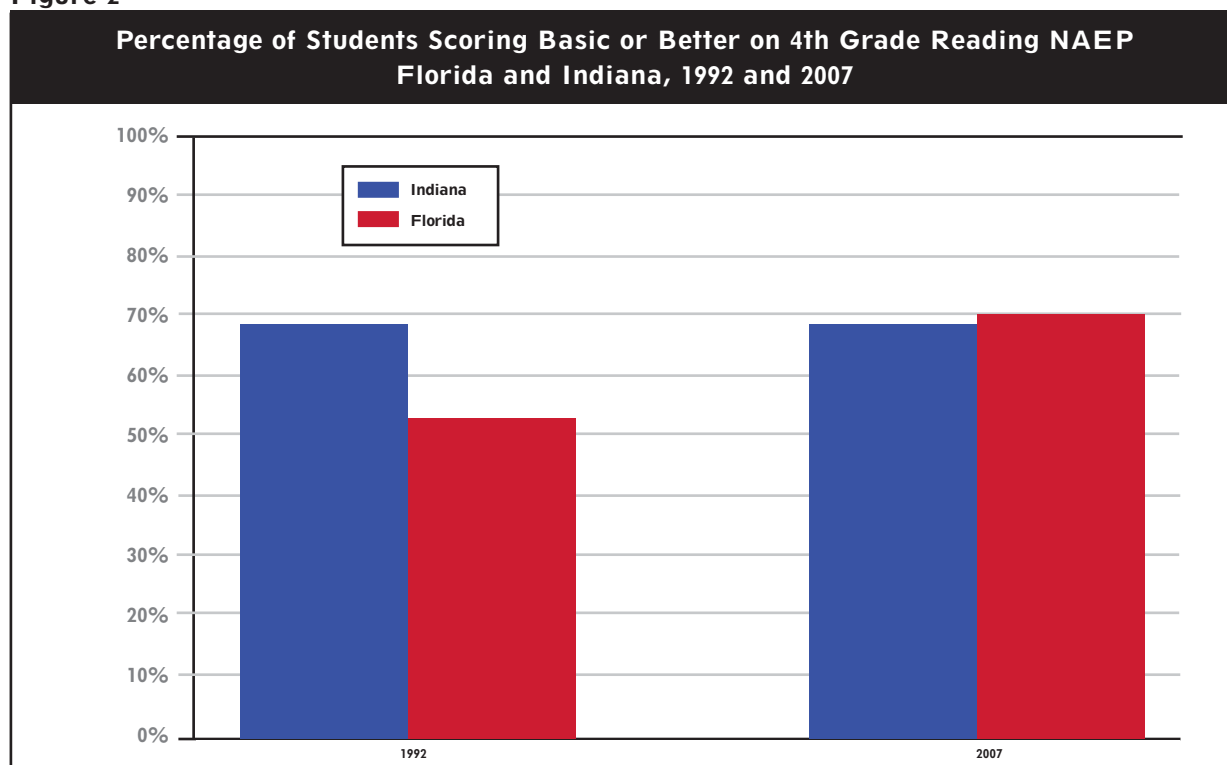
In short, Indiana's bang for the education buck declined by almost a third between 1992 and 2007. More money per pupil went in, but the results were the same.

Next examine the trends. In 1992, Indiana's 4th graders were more than a grade level ahead of their peers in Florida on average. By 2007, this advantage had vanished, and Florida's average achievement exceeded that of Indiana. With a gain of 16 points, Florida's 2007 4th graders were reading at about a grade level and a half better than the average for Florida students in the 1990s.

Figure 2 presents the same data in terms of achievement levels on 4th grade reading. NAEP has four achievement levels- Below Basic, Basic, Proficient and Advanced. The percentage of Florida children scoring Basic or Better on 4th grade NAEP improved by 17% between 1992 and 2007, with the action all occurring after 1998 (Florida scores declined between 1992 and 1998).

Indiana students made no improvement between 1992 and 2007.

**Figure 2**



Florida's improvement in test scores among minority students has likewise been extremely impressive. In 2007, after a decade of progress, the average Florida Hispanic student score on NAEP 4th grade reading test was higher than the overall average scores of *all students* in Alabama, Alaska, Arizona, Arkansas, California, Hawaii, Louisiana, Mississippi, Nevada, New Mexico, Oklahoma, Oregon, South Carolina, Tennessee and West Virginia. Progress among Florida's African-Americans has also been strong. Florida's African-American students outscored the statewide average on NAEP's 4th grade reading test for all students in Louisiana and Mississippi, and were increasingly near to overtaking the statewide averages in several other states.

More impressive still, Florida's minority children whose family incomes qualify them for a Free or Reduced lunch under federal guidelines outscored the statewide averages for students in a number of states.

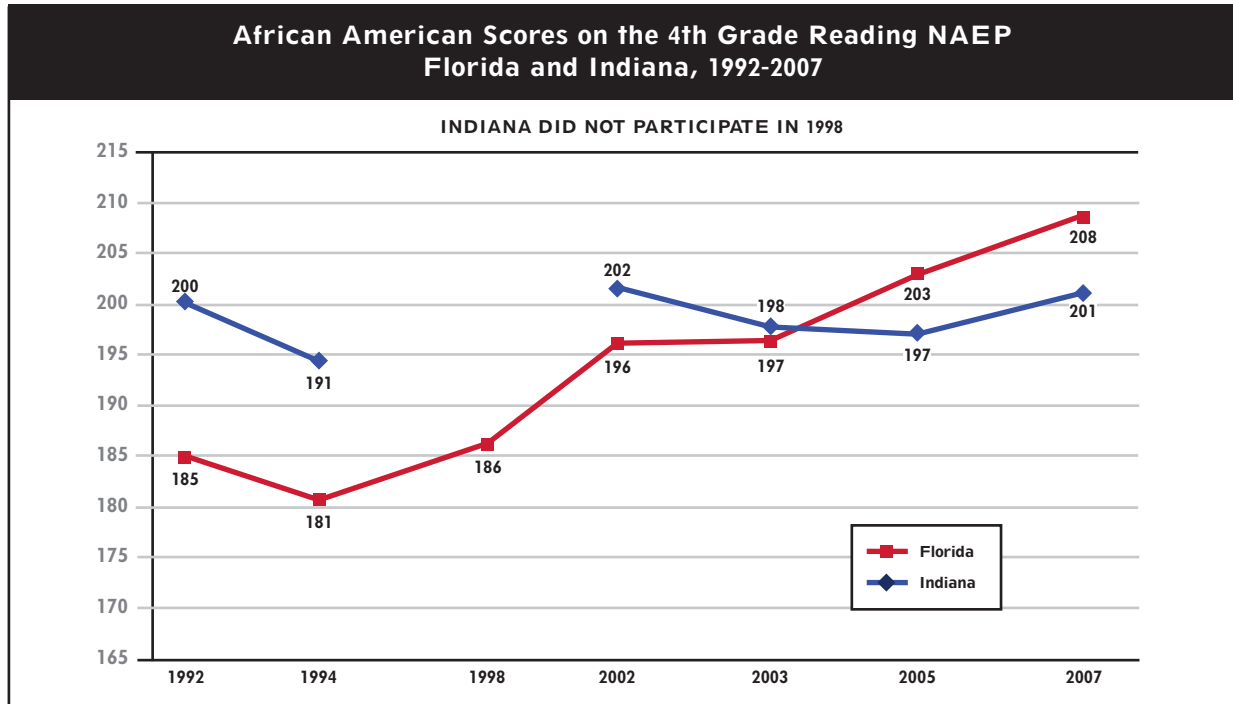
## Minority Test Scores Surged in Florida, Stagnated in Indiana

In 1998, Florida stood at fourth from the bottom in African American scores—ahead of only Arkansas, Louisiana and New Mexico. Florida ranked near the middle of the pack for Hispanics on 4th grade reading achievement in 1998.<sup>3</sup> In 2007, Florida's African Americans scored tied for 6th among the 50 states.

Figure 3 demonstrates that African Americans in Florida made substantially more progress on the 4th grade reading NAEP. In 1992, Indiana's African Americans on average were performing about a grade and a half higher than Florida's African Americans. In 2007, however, Indiana's African American students scored only one point higher than their 1992 peers. Florida's African

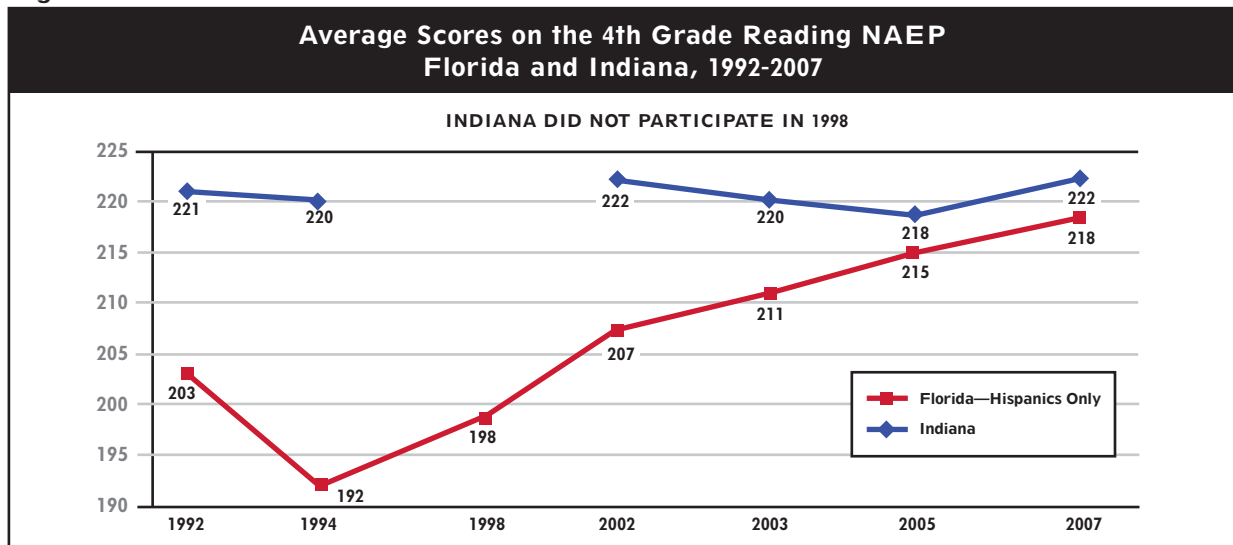
American students, meanwhile enjoyed a 23 point gain in average achievement. Florida's African American students went from being substantially behind their Indiana peers to well ahead.

**Figure 3**



In 2007, Florida's Hispanic students outscored Indiana Hispanic students by 11 points. As mentioned above, Florida's Hispanic students have surged ahead of several statewide averages for all students. As shown in Figure 4 below, Florida's Hispanics have moved to within striking distance of the statewide average for Indiana. The latest NAEP tests are scheduled for release in the fall of 2009, and it will be interesting to see how close Florida's Hispanics come to exceeding a new group of statewide averages.

**Figure 4**



## Education Reform in Florida—How the State Improved Achievement

The improvement on Florida students' test scores appears to be real evidence of improved student learning. It is reasonable to conclude that the education reforms undertaken by the state over the past decade are in part responsible to the improvement. Given the impressive progress in students' academic achievement, policymakers in other states should study Florida's education reforms.

In his first state of the state speech, Governor Bush outlined broad categories of reforms.<sup>4</sup> First, Florida would implement annual testing in grades 3 through 10 and rank schools based on achievement. Second, they would end social promotion: the practice of promoting students to higher grades even if they had not completed the academic requirements of the previous grade. Third, funding

would be tied to performance—rewarding successful schools with additional funding and autonomy. Fourth, the state would provide additional funding for struggling schools while allowing parents the option of transferring their child to a better school.

Over the next eight years, Governor Bush's administration oversaw the implementation of aggressive education reforms that largely focused on these areas. The following is an overview of the education reform initiatives undertaken in Florida over the past decade. This analysis is informed by a comprehensive study of Florida's education reforms undertaken by the Hoover Institution's Koret Task Force.<sup>5</sup>

**Academic Testing and Accountability:** In 1999, Florida enacted the "A+ Accountability Plan" that became the foundation of school reform efforts in the state.

The A+ Plan required that students in grades 3 through 10 be tested annually in reading and mathematics on the state FCAT assessment system. The FCAT incorporated both norm-referenced and criterion-referenced measures. Together, these measures evaluate a students' performance against peers across the nation and against state content standards. Importantly, this system was developed to enable the tracking of students' progress each year.

The state also created a new accountability system based on the FCAT. Both schools and students were held accountable for their performance. Annual state report cards ranked public schools on scale—from A to F—based on students' performance each year. Schools that earned high marks received funding bonuses and greater autonomy. Schools receiving an "F" over time were required to implement state-sanctioned reforms. In addition, students were also held accountable for their performance. The A+ Plan ended social promotion. Students were required to meet a level of academic achievement to proceed to the next grade. By 2003, students were required to pass the FCAT exam to graduate from high school. Remedial instruction was provided to students who were denied promotion.

**School Choice Options:** The A+ Plan also established new school choice options for families. Specifically, the A+ Plan offered students in schools rated as "F" on the state accountability system for multiple years the opportunity to use a publicly-funded scholarship to transfer to an alternative public school or private school of their parents' choice. This policy helped hundreds of children attend a school of their parents' choice.

In addition to the A+ Plan, Florida policymakers implemented policies offering families a range of public and private school choice options. The following is an overview of school choice policies offered in Florida:

- **The McKay Scholarship Program for Students with Disabilities:** Since 2000-2001, Florida has offered private school tuition scholarships to children with disabilities through the McKay Scholarship Program. According to the Florida Department of Education, 18,919 students were participating in the program as of November 2007.<sup>6</sup> During the 2006-2007 school year, the average scholarship amount was \$7,206, and 811 private schools participated.<sup>7</sup>
- **Step Up for Students Corporate Tax Credits for Private School Scholarships:** Since 2001, Florida has also offered corporations a dollar-for-dollar tax credit for contributions to fund private school scholarships for disadvantaged children. The tax credits are currently capped at a total of \$88 million per year.<sup>8</sup> As of November 2007, 19,416 students in 906 different schools were receiving scholarships through the program. In 2006-2007, the average scholarship was \$3,750.<sup>9</sup>
- **Charter Schools:** Florida has one of the strongest charter school laws in the country.<sup>10</sup> Charter schools are publicly funded schools that agree to meet certain performance standards set by government, but are otherwise free from the bureaucratic rules and regulations governing traditional public schools. Thus, charter schools offer families a choice within the public school system. In all, there are 379 public charter schools in Florida educating more than 100,000 students.<sup>11</sup>
- **Virtual Education:** Florida offers students the ability to learn online through virtual education. In 2006-07, 52,000 students received instruction from the Florida Virtual School.<sup>12</sup> The state also offers students online preparatory classes for the FCAT examination.

In 2006, the Florida Supreme Court ruled that the private school choice option in the A+ Plan—offering students in persistently low performing public schools a scholarship to attend a private school—violated the state's constitution.<sup>13</sup> This decision eliminated one of a family's school choice options and removed one of the incentives for students to make progress on the FCAT exam. The Florida legislature subsequently acted to allow children who had enrolled in the A+ voucher program to participate in the Step Up for Students program. No additional legal challenges have overturned any of the state's other school choice options. Florida remains a national leader in providing families with the option of choosing their children's school.

**Curriculum and Academic Standards:** A major focus in the state's curriculum reforms over the past decade is improving reading instruction. In 2002, the state implemented a new program: "Just Read, Florida!" to improve reading instruction.<sup>14</sup> For example, the program created new reading academies to train teachers in reading instruction and provided for the hiring of 2,000 reading coaches

in public schools across the states. The program provides remedial instruction to students in grades 6 through 12 who demonstrate insufficient reading skills.

Notable education policy experts writing for the Hoover Institution's Koret Task Force—including E.D. Hirsch Jr., Williamson Evers, and Diane Ravich—argue that Florida could improve its academic standards.<sup>15</sup> One suggestion offered by the task force is to improve mathematics standards and implement similar remediation strategies for math that have been applied to reading. However, Florida deserves credit for not watering down academic standards in response to the federal incentives under the No Child Left Behind Act.

**Improving Teacher Quality:** Teacher quality is a leading factor affecting how students perform in the classroom. All public school systems face the challenge of both attracting and retaining high quality school teachers. Florida's challenge was exacerbated by a ballot initiative that passed in 2002 creating a state constitutional law establishing maximum class sizes in the state's public schools.<sup>16</sup> At the time, the amendment was seen as requiring the hiring of approximately 31,000 new public school teachers.<sup>17</sup>

Traditionally, most public school systems have tried to ensure the quality of its teachers by establishing certification requirements and licensing regimes. But this strategy has had questionable results.<sup>18</sup>

Over the past decade, Florida enacted new policies for attracting and rewarding high quality teachers. First, Florida enacted policies to allow for alternative paths to teacher certification. The purpose of these policies is to attract high quality teachers to the classroom who otherwise would not consider teaching as a profession given the barrier to entry created by the traditional teacher certification requirements. For example, people who wish to become school teachers in Florida can attend "Educator Preparation Institutes," which facilitate career transitions for qualified professionals who wish to become teachers.<sup>19</sup> Districts are also required to offer their forms of alternative certification.

In addition, Florida also offers performance pay for teachers. Traditionally, most public school systems have compensated public school teachers based on the tenure of their service. However, Florida implemented reforms to provide bonuses to highly effective teachers. In 2007, Florida's performance pay system offered a total of \$147 million annually in state aid to school districts to pay performance bonuses to teachers.<sup>20</sup> Through this program, schools are awarded funds to provide bonuses to personnel who contribute to measurable improvement in students' academic achievement.

**Early Education:** In 2002, Florida voters approved a ballot initiative requiring that state-funded Pre-Kindergarten be offered to all 4-year-olds in the state by 2005.<sup>21</sup> In 2005, the program was launched with more than 100,000 children participating. The program is universal and voluntary. Importantly, the program offers families a wide range of choices. Families can choose to enroll their children in Pre-K programs offered by for-profit and faith-based providers, as well as public schools, through a voucher mechanism. During 2006-07, private centers comprised 79 percent of Pre-K providers, while public schools were only 19 percent.<sup>22</sup> In all, each child receives a Pre-K scholarship worth approximately \$2,600. To be eligible, providers must meet certain state requirements, including hiring licensed teachers (teachers must earn a Child Development Associate certificate) and implement content standards which focus on literacy readiness.<sup>23</sup> In 2008, 121,000 children are enrolled in the program. In 2007, approximately 55 percent of all four-year-olds participated.<sup>24</sup>

**Education Funding and Fiscal Management:** Florida's improved academic performance has come during a decade when the state has not been dramatically increasing public funding for education, at least compared to national averages. The National Center for Education Statistics reports that (inflation-adjusted) per pupil expenditures in Florida's public schools increased by 7 percent between 1998 and 2004.<sup>25</sup> The U.S. average grew by 14.7 percent during that period.<sup>26</sup> Since 2004, government spending on Florida's public schools has increased, likely at a faster rate than in the previous six years.<sup>27</sup> For example, the class size reduction initiative alone was projected to cost between \$22 billion and \$26.5 billion, with costs increasing as full implementation occurs in 2010-11.<sup>28</sup>

## Evaluating the Effectiveness of Reforms

Florida's progress improving all students' academic achievement and reducing the achievement gap between ethnic minority and white children warrants greater academic research to judge which reforms have had the greatest positive impact of students and classrooms. In all likelihood, the tapestry of reforms implemented over the past decade is responsible for the state's improvement. The following is an overview of the initial research evidence evaluating specific reforms.

**Ending Social Promotion—**The focus of the policy to end social promotion is ensuring that 3rd grade students are able to pass the FCAT reading exam to pass on to 4th grade. In 2001, only 6,500 students were retained in third grade. In 2002, more than 27,000 3rd grade students were retained.<sup>29</sup> In 2006, approximately 29,000 3rd grade students failed and were at risk of being retained.<sup>30</sup>

Evidence suggests that ending social promotion has had a positive impact on students' performance. Dr. Jay Greene and Marcus Winters of the University of Arkansas evaluated the results of the social promotion policy after two years. They reported that: "retained Florida students made significant reading gains relative to the control group of socially promoted students."<sup>31</sup> They found that the academic benefit increased after the second year: "That is, students lacking in basic skills who are socially promoted



appear to fall farther behind over time, whereas retained students appear to be able to catch up on the skills they are lacking.”<sup>32</sup>

Beyond the likely benefit of increased remediation, the threat of being retained also creates a strong incentive for children to improve their studies to proceed to the next grade with their peers. This policy of ending social promotion warrants further research and analysis to determine the full impact on students' academic achievement.

**Accountability and Expanding School Choice**—Growing evidence suggests that the combination of Florida's accountability and expanded school choice policies is contributing to the improved performance in the state's public schools. A 2003 study published by the Manhattan Institute evaluated the effect of competition caused by school choice on the public education system under the A+ program. The study found that competition was leading to significant improvement in public schools: “Public schools currently facing voucher competition or the prospect of competition made exceptional gains on both the FCAT and the Stanford-9 test compared to all other Florida public schools and the other subgroups in our analysis.”<sup>33</sup>

In 2007, the Urban Institute published the results of a similar analysis of the effect of the A+ accountability and choice reforms on Florida's public schools. The authors found that student achievement improved in schools labeled an “F” in subsequent years.<sup>34</sup> Importantly, the authors found that reforms undertaken by the low-performing public schools contributed to the improvement: “when faced with increased accountability pressure, schools appear to focus on low-performing students, lengthen the amount of time devoted to instruction, adopt different ways of organizing the day and learning environment of the students and teachers, increase resources available to teachers, and decrease principal control.”<sup>35</sup>

In 2008, the Dr. Greg Forster of the Friedman Foundation published a new study evaluating the effect of the A+ program on public schools threatened by the possibility of losing children to other schools through the school voucher option.<sup>36</sup> Forster evaluated the performance of public schools from the 2001-02 school year through 2006-07 school year. Importantly, the extended time period analyzed in the study allowed Forster to evaluate how the elimination of the voucher option impacted public school performance after 2006, when the voucher options was deemed unconstitutional and, thus, removed from the program.

Forster reports that before vouchers were made available, the A+ program spurred modest improvement in public schools. But the program produced dramatic gains in threatened public schools once vouchers were incorporated: “In 2002-03,” Forster writes, “public schools whose students were offered vouchers outperformed other Florida public schools by 69 points.”<sup>37</sup> In the years that followed, as voucher participation rates dropped due to procedural obstacles, the positive effect of competition was less significant. Importantly, Forster's analysis found that: “The removal of vouchers caused the positive impact on public schools to drop well below what it had been even in 2001-02, before vouchers were widely available.”<sup>38</sup>

To date, no academic study has evaluated the academic achievement of students participating in the state's private school choice programs. Multiple testing experiments evaluating the impact of private school voucher programs in other communities have shown that students receiving vouchers improve academically.<sup>39</sup> Moreover, additional evaluations have found that increasing competition through school choice options (both private school choice and charter schools) leads to improvement in traditional public schools threatened by competition.<sup>40</sup>

One recent study reported this effect occurring in Florida. A 2008 study by Dr. Jay Greene and Drs. Marcus Winters of the University of Arkansas and the Manhattan Institute found that competition caused by school choice spurred positive academic gains in threatened public schools. Specifically, the researchers evaluated the competitive effect of the McKay Scholarship Program for Students with Disabilities on threatened public schools.<sup>41</sup> They report that: “public school students with relatively mild disabilities made statistically significant test score improvements in both math and reading as more nearby private schools began participating in the McKay program.”<sup>42</sup> Importantly, the authors found that the greatest gains were made by the children who were diagnosed as having the mildest learning disabilities, a group that includes the vast majority of Florida's special education students.

**Teacher Compensation and Hiring Policies**—Little research evidence exists evaluating the impact of Florida's various teacher hiring and compensation reforms. It is still too early to determine what effect these policies are having. The creation of alternative certification paths to becoming a teacher is only beginning to have an effect attracting new teachers. Moreover, the impact of the class size reduction initiative is in the process of being implemented. Moreover, no academic study has evaluated the relationship between Florida's merit pay reforms and academic achievement.

**Universal Pre-Kindergarten**—the state's universal Pre-Kindergarten program could not have impacted academic achievement on state or national tests, since the program only began in 2005. The Florida Department of Education reports that children participating in the voluntary Pre-K program performed better on kindergarten screening than children who did not participate.<sup>43</sup> Evaluations of similar early education programs have found that early education programs often result in improvements during a student's early school years, but these gains have been found to fade away over time.<sup>44</sup> This program should be evaluated in the future to determine its effectiveness. Given that this program began in 2005, we do not as yet have any testing data that can evaluate whether it seems to have had any lasting impact in elementary scores. None of the progress shown above, however, can be attributed to this program, as all of the 4th or 8th grade students were too old to have participated.

## Conclusion

### Top Down and Bottom Up Reform Works Best

Florida students are improving academically at a higher rate than students across the country. Importantly, children from minority populations are making the greatest improvements demonstrating that Florida is making progress reducing the achievement gap. The aggressive education reforms implemented by Florida policymakers over the past decade appear to be having a positive impact. Specifically, initial evidence suggest that ending social promotion, increasing school accountability, and expanding parental choice in education are contributing to improved academic achievement and public school performance. Policymakers across the country should study Florida's model and implement similar systemic reforms.

More broadly, the Florida experience shows that the proper mix of education reforms can lead to levels of academic achievement for disadvantaged students that many have argued are impossible without massive increases in spending. Powerful interests, most notably the education unions, fought Governor Bush's education reforms almost every step of the way. Florida fashioned an enviable education legacy after 1998: one that proves that demography is not destiny.

An old saying holds that the difference between a condition and a problem lies in whether or not you have given up. A problem is something you are still trying to solve. A condition is something that one has grown to accept as unalterable.

Florida's improvement in minority and economically disadvantaged student academic achievement prove once and for all that this widespread reality constitutes a problem to be solved, not a condition to be accepted. Other states should follow Florida's lead in combining incentive and instructional based reforms, and in fact, take them further. America's disadvantaged children await these tragically overdue reforms.

Florida's success should inspire replication in other states, but in the end, Florida's reforms should be viewed as a floor, not a ceiling. Florida's reforms have greatly improved education in that state, but they are still some ways off from achieving true international competitiveness when compared to our Asian and European competitors. Reformers must go much farther, not simply extracting greater efficiency out of an antiquated system, but over time reformatting our basic model of schooling completely.

The Bill & Melinda Gates Foundation sponsored an in-depth five year study of public school finance. Paul T. Hill and Marguerite Roza, the project's lead researchers, wrote in the May 4 edition of *Education Week* that "people from outside the school finance community" noticed that when public-schools received large infusions of new money, higher levels of student test scores seldom followed the windfall.

Hill and Roza reported that their collection of studies "has confirmed that money is used so loosely in public education – in ways that few understand and that lack plausible connections to student learning—that no one can say how much money, if used optimally, would be enough... Districts can't choose the most cost-effective programs because they lack evidence on costs and results."<sup>45</sup>

We offer a concrete example. Many elementary students across the country take courses in art, music, and science. For a child at grade level in the basics, these can be entirely appropriate. One cannot help but to pose the question however: is this the best use of resources for elementary students *who have not learned to read*? Nationwide, the NAEP shows that 34 percent of 4th graders in public school score "below basic" in reading.

Should a third-grader who hasn't mastered basic literacy skills, and whose entire academic career hangs in the balance, be spending their days studying music? We know if children don't learn to read in the early grades, their chances of dropping out go up exponentially, whether they took music classes or not.

Similarly, all sorts of spending that have nothing whatsoever to do with teaching children anything goes on in the public schools. Central office bureaucrats presumably do something, but they do not teach children how to read or prevent them from dropping out of school. If they did, we wouldn't have a problem with either illiteracy or high-school completion.

In short, public schooling has become profoundly inefficient and ineffective. The Florida reforms helped to focus the mind with pressure from the state and from parents, but there are many miles to go in this race. Most states, however, haven't so much as crossed the starting line of the race.

Florida's reforms prove that effective education reform is not about the kids. The kids can learn. Effective education reform is ultimately about adults. Do the adults in Indiana have the fortitude to deliver the needed improvements for the children?

Show me, don't tell me.

# Endnotes

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