

2002 spend. 105% Nat avg in per pupil spendy > (last 10 yrs - 45th to 27th in per pupil spending)

Joel - Adam Smith quote (all groups of producers)

(strength of weakness - black churches)

JGEC

People of the same trade seldom meet together even for merriment and diversion, but the conversation ends in a conspiracy against the public or in some contrivance to raise prices"

35 min -

(.7% TAXE) (2yr + lined) + work
(.89%) - (FED) + block grant

17% of schools ~~provide~~ met adequate yearly progress -

83% - don't make it

→ 40%

(Michigan - 48% no grade)

→ 1/3 workforce w/o basic literacy skills -

new outspread
CONK

9 high schools out of 200 - met AYP.

49th in NATION in drop-outs

Nat center for Education statistics dropped from 60% to 51%.

reading (proficient) 2003 - (36% white) (11% black) 4th grade

(35%) (10%) 8th

(46%) (13%) 4th

(39%) (8%) 8th

math -

fund
assess
test
test
test

14 → Edu reform + (put parents in charge) → compute + units
 (say because - want a state)

> 30 conseq years 49/50 > 49th in nation drop, 49% drop
 > 1/3 work force w/o basic literacy > 26th in funding - 43rd in strg rules

↓
 More money -

- 3rd in nation in rise in expenditures - (82-02)
- 3x increase
- 105% Nat average per pupil basis -

YET still not where want to be - Accidental apple - power of right - lower price in product

Circle of reasons

① Edu. revolution around us - Dr Mayor Anthony Williams / Diane Feinstein (14th - DC)

• Cleveland, Milwaukee, Florida (Vermont, Maine)
 charter (A2), ~~Florida, etc~~

Not just other states

② State needs transfunctional change - competition is a world of transfunctional Δ -
 → well outspend (conv)

China (2) India - 1

③ Diversity makes sense - a lot of folks - (each child, dry out) (NOACH, WIFE)
 (Richard Florida - the creative class) (4 boys) → (Chris Superintended / Inez)
 → Bill + Melinda Gates -

Make → (batter)

④ Make change politics cent - (not board certif → 500 mm)

⑤ Great frontier. (Welfare reform) (96) → (computers)
 Mkt focus - (cash screen, cosmetic screen)

Most important EDUCATION.

→ DKS consulted.
→ 2003 Fed # -135mm-
→ Exec budget - divert # to classroom.

↳ know Mitchell Road CHRISTIAN / MITCHELL ROAD ELEMENTARY
↳ MARION CO.

old paradigm more money -

(3 fold increase) (3rd in NATION in rise expenditures 82-02)
\$(9,100 per student), (7200), (11k or 12k)

• Yet 30 yrs - (49th/50th SAT) / 26th in funding ^{87%} 43 near
49th GRADUATION rates - _{not ready}

yet revolution / other states say more -

- Democratic Mayor DC, Anthony Williams / DIANE FEINSTEIN - (14%)
- Cleveland, Milwaukee, FLORIDA, (VERMONT, MAINE)
- Charter schools - ARIZONA, ⁽¹⁴⁾ NC.

↓
Need Funding, Accountability → (choices)

↓
quantit receipts ⇒ Public Schools (Alameda, Hampton)

① > make sense - low income families - some choice - upper income -
or by (CHAS CO) / (SUPT. OF EDU.)

② diversity of kids - Bill & Melinda Gates - (2.2)

③ what make des policies can't - ① State ^{School DIST'S} budget office 21 mm
② Nat board certification 500 mm

Δ revenue estate

PLAN -

① put parents in charge

Tax credit 3000

SGS

② charter school

③ SMART FUNDING

3x week -
BM Index
Not smoke



+ 13 years of life +
(quality of life improved)

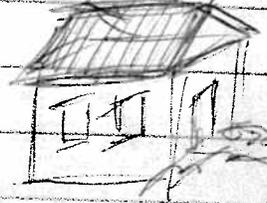
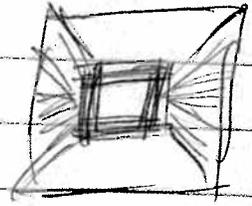
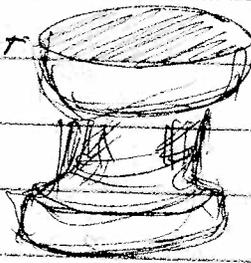
< good health vs. rights >

- ① walking breaks (vs. smoking breaks)
- ② Use Sick leave reward → for not using -

1. Call SHAW - no prep -
2. Chuck Wald call no WASH -
3. OCT RGA on schedule -

MUTT - Scotland magazine -

- MUTT
- ① Catherine in Gruber -
 - ② John - raise price? offer.
 - ③ Scott tracks for T-up, NEWT
 - ④ chula school?



1,000
50

50,000

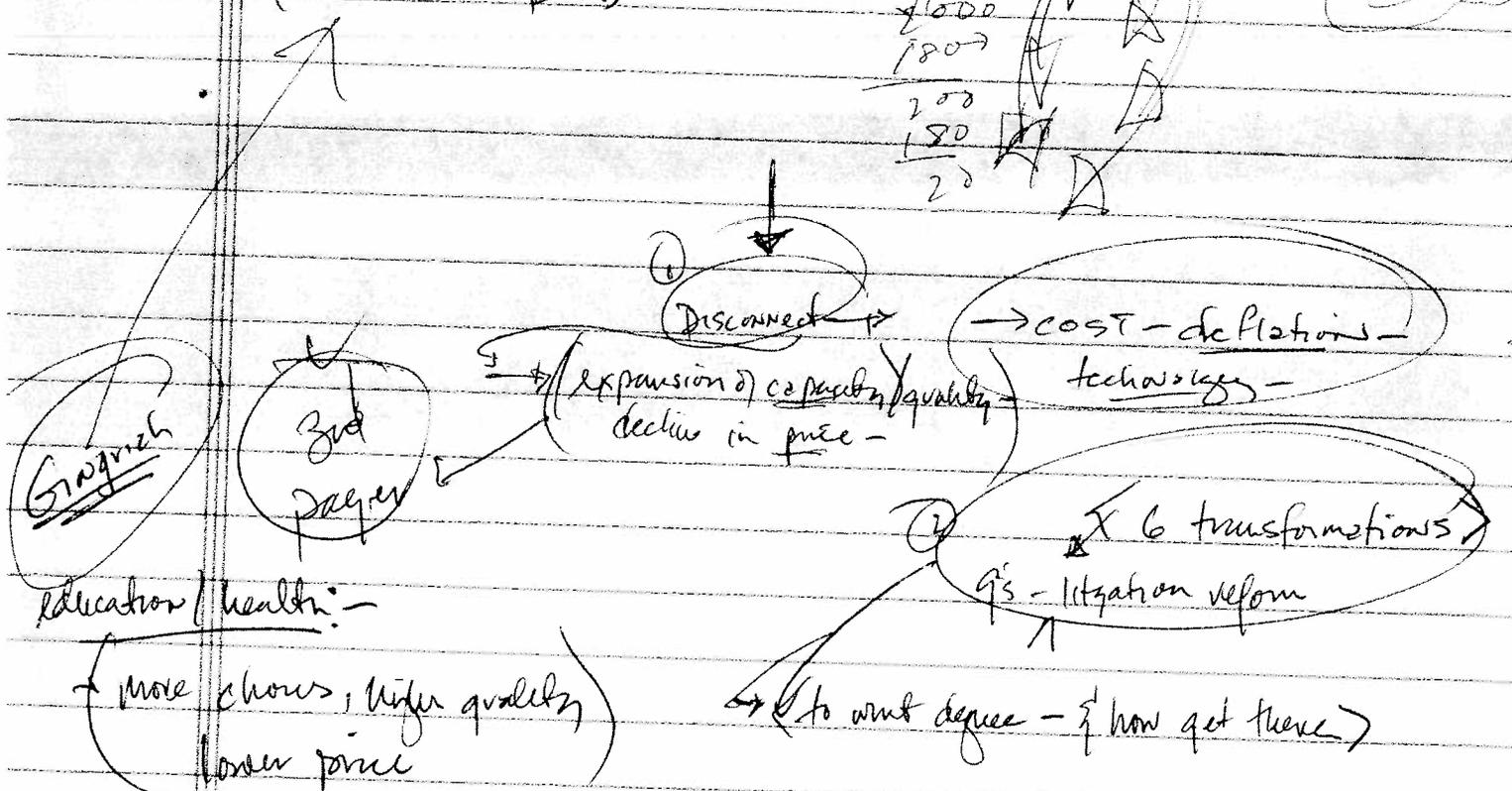
> Both Model (Bucheye Institute)
(consumer driven plan)

6720,000
18,000
10000
1800

200
180
20

3,333

10 or 2,000



Education/health:-
(more choice, higher quality)
lower price

> Wealth of Nations - all gathering of producers conspiring against consumers
Newt - Alaska Airport - subcommittee
> deregulation of Airlines - Eastern block - but ->

Washington DC 2003

Total Education Spending
\$1,130,312,000

Spending on School Choice Program
\$9,000,000 (projected in 2004/05)

Percentage
.079%

Wisconsin 2003

Total Education Spending
\$9,345,333,000

Spending on School Choice Program
\$76,000,000

Percentage
.08%

Milwaukee Public Schools

Total Education Spending
\$1,172,200,000

Spending on School Choice Program
\$76,000,000

Percentage
.64%

Florida 2003

Total Education Spending
\$20,480,627,000

Spending on A+ Scholarships*
\$5,329,188

Percentage
.00025%

Total Education Spending
\$20,480,627,000

Spending on Tax Credits (max)**
\$88,000,000

Percentage
.004%

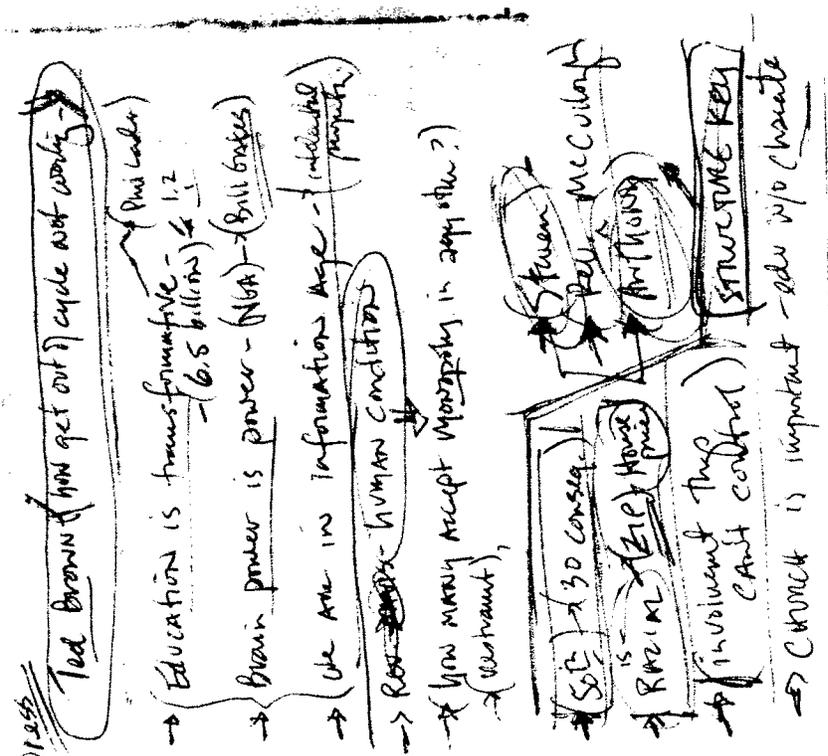
Total Education Spending
\$20,480,627,000

Spending on McKay Scholarships
\$62,122,702

Percentage
.003%

*About 14,000 children were eligible to receive a voucher in 2003, which if all took the voucher and used the average scholarship amount of \$3,300 would have "cost" the state \$46,200,000, or .002% of the budget.

**Florida's corporate tax credit program is capped at a maximum of \$88 million dollars in contributions, which is the number I have used above to show the maximum impact. In 2003, an estimated 15,000 students received scholarships, which are capped at \$3,500, or approximately \$52 million dollars was "spent" on scholarships, or about .002% of the budget.



It has been the unshakable belief of this administration that for our state to prosper we are going to have to change some things. Borrowing ideas from other states on tax reform, our budget process and restructuring all represent incremental steps toward doing things differently. Interestingly a willingness to take new approaches has been for the most part applauded by groups like the State editorial board, and so I couldn't help but find a little irony in their recent editorials that seemed to suggest structural reforms are good in every area except education – and that if one is for market based reforms in education you are some how against education.

That thinking is wrong. I believe passionately in education generally and public education specifically, but I believe just as passionately that market reforms, giving parents and students more choices in education, are key to improving educational outcomes.

Consistent with our approach of looking for ideas that have proven themselves, we latched onto what has happened nationwide in places that have enacted some level of school choice. ~~And remember our look for solutions was based on challenges that have been all to well documented, ...~~ Recognizing a problem is not a slight toward education a fact and as Mark Twain facts are stubborn things. we are a state that currently ranks last in the nation in SAT scores, next-to-last in graduation rates and 43rd on the NAEP test of reading proficiency. All this comes after we increased education funding by 145% over the past 30 years, ranking us 26th nationally in per pupil spending and ninth in the country in recent funding increases for education.

In Milwaukee here is what happened:

1. Public schools got better.
There are approximately 100,000 students in the Milwaukee school system (MPS), and up to 15 percent are allowed to participate in a school choice program that has grown from 337 students in seven schools in 1990 to 15,000 students in 130 schools today. Rather than harming public education, the Milwaukee Chamber of Commerce argues it has been part of the formula key to educational improvements. In twelve of fifteen categories MPS schools have increased scores on state public standardized tests. Correspondingly the same has happened in individual assessment and proficiency testing. Real spending in MPS schools has gone up by 70%, and schools "identified for improvement" has dropped by ... 23%
All of this makes sense because the students that weren't doing well in the conventional educational setting ...

2. Teachers were granted greater freedom to actually teach

3. The schools produced in the choice model are smaller
The average number of students for schools in the Milwaukee Parental choice program is 127, while in the MPS system as a whole it is 433. This matters because there is such clear correlation between smaller school size and student performance that the Bill and

Melinda Gates foundation has dedicated 2.2 billion dollars in a nation-wide effort to shrink school sizes. Why wouldn't we want more of a system that produces that kind of a result in South Carolina?

4. Drop out rates fell for all students in the MPS system

Even more exciting is the fact that in the schools with the poorest students, the choice program is limited to kids who's parents aren't making more than 175% the poverty level and is now comprised of a student population that is 92% minority and 76% single parent, graduation rates are greater than in the rest of the MPS system...even in the more affluent suburban public schools.

In itself
this is good
news, but it is
made
better by the
fact that

5. Educational dollars went further

Students.

6. People were empowered

teachers —
parents, —

It is these kinds of results that have convinced me of the need to structurally reform our system. After all it is the current system that has left us with school districts that in many rural parts of our state go straight back to the black and white school districts of the 1950's, leaves the 7000 teacher stipend for Certified teachers to over-whelmingly go to wealthy school districts – what politics won't correct I believe market forces will.

Greatest cause truly progressive idea. Jon Norquist 4 term mayor of Milwaukee, Howard Fuller former superintendent of Milwaukee public schools, Anthony Williams mayor of District of Columbia, school chair,

So we may disagree but lets not be intellectual girly men, and try and make the flaccid argument that says if you see a different way of getting there you must be against us, because in this case lives are being transformed with a different way. My hope is those who disagree would be so bold as to leave South Carolina's safe waters and be open to some impressive things happening outside our state – even if it means changing a few things.