

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

Joel - Adam Smith quote (all sorts of producers)

(strength & weakness - black churches)

Joel

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% TAX) (2 yr + lined) + work
(.8%) - (FED) + block grant

17% of schools ~~provide~~ met adequate yearly progress -
83% don't make it

→ 40%

(Mathematics - 48% no grade)

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

new outgroup
CON

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

math - (35%) (10%) 8th
(46%) (13%) 4th
(39%) (8%) 8th

about
second
grade
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

↓
Make 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 apostle - → power of right - lower price - up product

Circle of reasons

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

• Cleveland, Milwaukee, Florida (Verano, Maria)
Chalk (A2), ~~Florida~~, ~~etc~~

Not just other states

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

China 1.2 India - 1.

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

(Make) → (batter)

④ Make change politics cent - (Nat board certif → 500 mm)

⑤ Great frontier. (Welfare reform) (96) → Computers
Mkt focus - (Basic science, cosmetic science)

Most important EDUCATION.

AKS committed.

> 2003 Fed \$ - 135mm -

> Exec budget - direct \$ 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
49th GRADUATION rates - 43rd in funding

yet revolution / other states say more -

Democratic Mayor DC, Anthony Williams / DIANE FEINSTEIN - (14k)

Cleveland, Milwaukee, FLORIDA, (VERMONT, MAINE)

Charter schools - ARIZONA, NC.



Need Funding, Accountability → (choices)



quantitative recipients → Public Schools (Alameda, Hayford)

① > make sense - Low income families - same choice - upper income -
or by (CHAS CO) / (SUPR. OF EDU.)

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

③ not make des potes can't - ① State ^{24000 DIST'S} budget 21mm
② Nat bond certification 500mm

△ red 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 proposed -
2. Chuck Wald call no WASH -
3. OCT RGA on schedule -

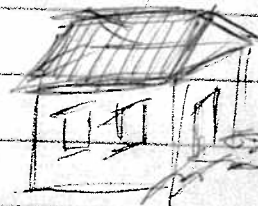
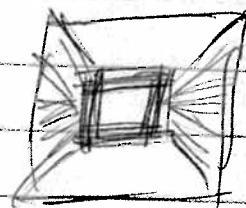
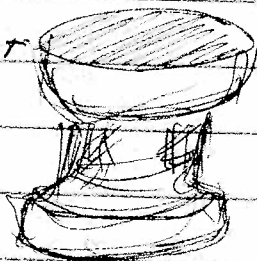
muu - scribbled magazine -

muu ① Catherine in grober -

② John - raise price? of mu.

③ Scott tracks for T-up, NEWT

④ chulu school?



1,000
50
50,000

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

6720,000
18,000
1000
1800
200
180
20

3,333

10 x 2,000

① Disconnect

expansion of capacity, quality
decline in price -

→ cost - deflation -
technology -

② 6 transformations
q's - litigation reform

to what degree - how get there

Grogner

3rd
payer

Education / health:-

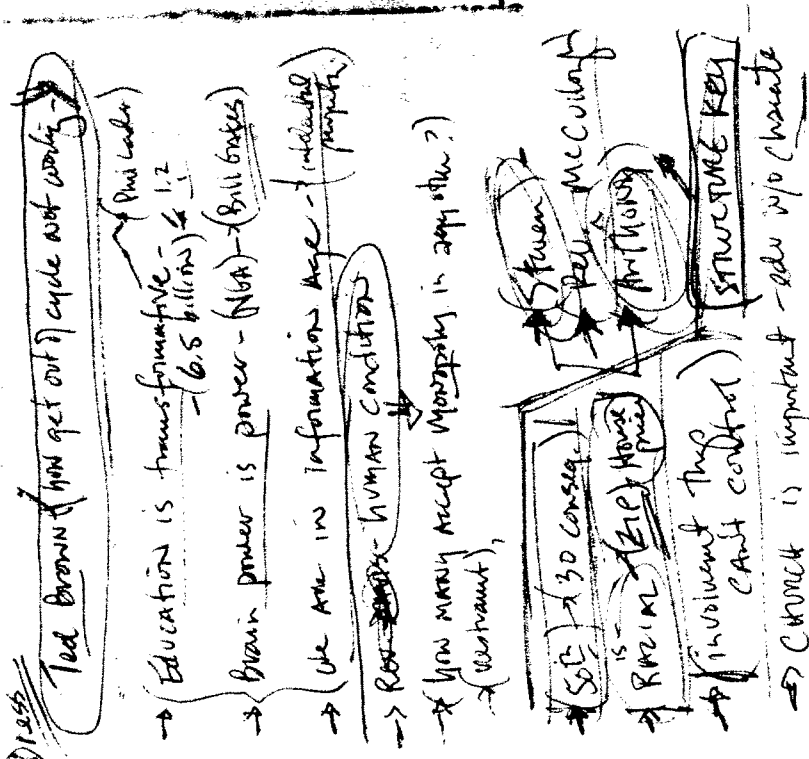
(more choice, higher quality)
lower price

> wealth of nations - all gathering of producers conspiring against consumers
Newt - Alaska Airport → subcommittee
> deregulation of Airlines - Eastern broiler - but →

Washington DC 2003Total Education Spending
\$1,130,312,000Spending on School Choice Program
\$9,000,000 (projected in 2004/05)Percentage
.079%**Wisconsin 2003**Total Education Spending
\$9,345,333,000Spending on School Choice Program
\$76,000,000Percentage
.08%**Milwaukee Public Schools**Total Education Spending
\$1,172,200,000Spending on School Choice Program
\$76,000,000Percentage
.64%**Florida 2003**Total Education Spending
\$20,480,627,000Spending on A+ Scholarships*
\$5,329,188Percentage
.00025%Total Education Spending
\$20,480,627,000Spending on Tax Credits (max)**
\$88,000,000Percentage
.004%Total Education Spending
\$20,480,627,000Spending on McKay Scholarships
\$62,122,702Percentage
.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. ^{our search} ~~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. ^{like Milwaukee or Cleveland}

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" ^{in our educational system} has dropped by ... ~~it took money part of solution~~ ^{has been} 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.

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.

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