

# School Reform News

©2003 The Heartland Institute

THE MONTHLY NEWSPAPER FOR SCHOOL REFORMERS

Vol 7 No 10 November 2003

## Teacher Union Accused of Tax Evasion

by George A. Clowes

**D**espite budgeting more than \$70 million a year in recent years to maintain an ongoing nationwide organization of more than 1,800 paid political organizers and lobbyists, the National Education Association (NEA) since 1994 has reported to the Internal Revenue Service (IRS) that it spends nothing on political activities.

Drawing on earlier complaints filed with the IRS and U.S. Department of Labor, Landmark Legal Foundation on September 8 formally called on the IRS and the U.S.

**UNION continued on page 16**

## Using Statistics to Subvert NCLB

by Derek Redelman

**T**he goals of the No Child Left Behind (NCLB) Act are clear enough: Zero children left behind, with 100 percent proficiency in 12 years.

But while federal officials repeatedly affirm those goals, some states are undermining the clarity of the NCLB accountability framework by applying statisti-

**NCLB continued on page 6**

### INSIDE SRN

- 3 Rough Week in Nation's Capital
- 9 Students Win When Schools Compete
- 10 The Friedman Report
- 12 Internet Reshapes Rural Schools
- 13 Charters Improve Achievement
- 17 Pittsburgh Needs "Drastic" Reform
- 18 PhyEd Declines, Obesity Soars

## School Choice Gathers Momentum Worldwide

While U.S. inches  
forward, China  
takes a giant step

by Robert Holland

**T**he concept of private choice as a public good in primary and secondary education is rapidly gaining favor worldwide, even in nations not exactly famed as champions of individual rights.

In September, while a handful of U.S. senators contemplated a filibuster of a voucher measure that would enable fewer than two thousand District of Columbia children to exit failing public schools in favor of productive private ones, the People's Republic of China was putting into effect a law giving private schools equal standing with state-owned schools.

The law went into effect during a forum on how to boost the growth of a private educational sector in China, held at the Great Hall of the People in Beijing. According to statistics prepared for the National People's Congress, some 54,000 private schools enrolling almost 7 million students had opened their doors in China by the end of 2000.

By assisting the private schools with loans, tax credits, and similar assistance, the government hopes to stimulate much more dramatic private school

**MOMENTUM continued on page 4**



Getty

## 1 in 3 Students Graduate College-Ready

"Every year about a million young people who should graduate from high school don't, condemning them to a lifetime of lower income and limited opportunities."

JAY P. GREENE AND GREG FORSTER  
MANHATTAN INSTITUTE

by Krista Kafer

**O**nly 70 percent of U.S. students enrolled in public high schools graduate, and only 32 percent graduate ready for college, according to a new analysis of U.S. Department of Education data by Manhattan Institute researchers Jay P. Greene and Greg Forster.

**GRADUATE continued on page 8**

The Heartland Institute  
19 South LaSalle #903  
Chicago, IL 60603

PRESORTED  
STANDARD  
US POSTAGE PAID  
BEAVER DAM, WI  
PERMIT NO. 412

# ACTS SCHOOL SUPPLIES

# ACTS

**549 North Route 83  
Grayslake, IL 60030  
800-889-2287 (ACTS)  
www.actstextbooks.com**

## K-12 Grade Curriculum Packages

**All under \$250.00!!**

### WE SELL PRODUCTS FROM:

Christian Liberty Press; Modern Curriculum Press; ISHA  
Easy Grammar; PowerGlide Foreign Language; Cram  
Publications (Globes, Maps); Leap Frog Learning Toys;  
Crayola Crayons; Bob Jones University Press; Trend  
Enterprises (Decorations, Posters); ETA Cuisenaire  
(Math, Sci, Manipulatives); Pearson Learning (Sing,  
Spell, Read, Write).

### SAXON MATH

S58000 Math K \$52.00  
S58001 Math 1 \$79.00  
S58002 Math 2 \$79.00  
S58003 Math 3 \$80.00  
S58054 Math 54 Kit 2nd Ed. \$41.00  
S58065 Math 65 Kit 2nd Ed. \$41.00  
S58076 Math 76 Kit 3rd Ed. \$42.00  
S58087 Math 87 Kit 2nd Ed. \$44.00  
S58090 Alg. 1/2 Kit 3rd Ed. \$45.00  
S58010 Alg. 1 Kit 3rd Ed. \$46.00  
S58020 Alg. 2 Kit 2nd Ed. \$47.00

S0L90 Alg. 1/2 Sol. Manual 3rd Ed. \$22.00  
S0L10 Alg. 1 Sol. Manual 3rd Ed. \$22.00  
S0L20 Alg. 2 Sol. Manual 2nd Ed. \$22.00  
S0L13 Adv. Math Sol. Manual 2nd Ed. \$22.00  
SFC1 FIRST GRADE FACTCARDS \$29.00  
SFC2 SECOND GRADE FACTCARDS \$29.00  
SFC3 THIRD GRADE FACTCARDS \$29.00  
SMBK KINDERGARTEN MEETING BK. \$10.00  
SMB1 FIRST GRADE MEETING BK. \$10.00  
SMB2 SECOND GRADE MEETING BK. \$10.00  
SMB3 THIRD GRADE MEETING BK. \$10.00

- **Quality Curriculum At Affordable Prices:** math; science; history; phonics; reading; spelling; handwriting; foreign language; grammar literature; geography.
- **Teacher Supplies At Great Prices:** crayons; glue; construction paper; poster board; drawing paper; reward stickers; name tags; classroom aid posters; yarn; pens; pencils; craft bags; cellophane paper; art tissue paper; presentation boards; birthday announcements; award certificates; modeling clay; water color paints; glitter; notepads; handwriting pads; thin-line notebook paper; thick-line notebook paper.
- **Classroom Essentials:** globes; maps; computers; banners; posters; border decorations.
- **School Fundraising:** www.dollarsforscholars.com; afreecollegescholarship.com; actstextbooks.com.

## ATTENTION HOMESCHOOL FAMILIES!

**Bring this ad to our booth and save \$5.00 off any purchase of \$70.00 or more!**

# 800-889-2287

**www.actstextbooks.com; www.afreecollegescholarship.com**



## School Reform News

### EDITORIAL OFFICES



**The Heartland Institute**  
19 South LaSalle Street #903  
Chicago, Illinois 60603  
312/377-4000 voice • 312/377-5000 fax  
e-mail think@heartland.org

School Reform News is available on the Internet. Point your web browser to <http://www.heartland.org>.

PUBLISHER  
Joseph L. Bast

ASSOCIATE PUBLISHER  
Nikki Saret

EDITOR  
Diane Carol Bast

MANAGING EDITOR  
George A. Clowes, Ph.D.

DESIGN AND PRODUCTION  
Kevin Fitzgerald, Ross Van Overberghe

ADVERTISING MANAGER  
Nikki Saret

CIRCULATION MANAGER  
Latreece Vankinscott

CONTRIBUTING EDITORS  
Mike Antonucci, Robert Holland,  
Krista Kafer, David Kirkpatrick  
Nina Shokraii Rees (on leave)  
Paul Seibert, Lisa Snell, Don Soifer  
Kelly Amis Stewart, Kevin Teasley  
Herbert J. Walberg Ph.D., Lee H. Walker

BOARD OF DIRECTORS  
Joseph Bast, Walt Buchholtz  
Robert Buford, James Fitzgerald  
Paul Fisher, Dan Hales  
William Higginson, James L. Johnston  
Roy E. Marden, David H. Padden,  
Frank Resnik, Leslie Rose, Lee Tooman  
Herbert J. Walberg Ph.D.  
Lee H. Walker, Thomas Walton



ADVERTISING: School Reform News accepts display advertising and advertising inserts. For an advertising kit with rate card and editorial calendar, contact Associate Publisher Nikki Saret at 312/377-4000, e-mail nikki@heartland.org.

School Reform News is published 11 times per year by The Heartland Institute. Subscriptions are \$36 per year. Order online at [www.heartland.org](http://www.heartland.org). Heartland is a nonprofit and nonpartisan public policy research organization serving the nation's federal and state elected officials, journalists, Heartland Members, and other opinion leaders. Its activities are tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

© 2003 The Heartland Institute. Nothing in this issue of School Reform News should be construed as reflecting the views of The Heartland Institute, nor as an attempt to aid or hinder the passage of any legislation.

## CAPITOL HILL BEAT

# A Rough Week for Public Schools and Teacher Unions in the Nation's Capital

by Don Soifer

**A**fter getting through Hurricane Isabel relatively unscathed, the nation's capital did not fare well at the beginning of October, at least as far as its schools were concerned.

On October 1, Senate leaders withdrew President George W. Bush's plan to create a new school voucher program for children in the District of Columbia Public Schools (DCPS). The move—expected to be only temporary—came with Members facing a heavy workload that included the President's request for Iraqi aid. The postponement acknowledged that leadership lacked the 60 votes necessary to overcome a filibuster threatened by Senate Democrats opposed to the bill.

Most observers viewed the development as only a passing setback, however. Some supporters of the voucher plan noted that, since it had already passed the House and enjoyed strong Bush administration support, roadblocks on the Senate floor could be overcome by maneuvering in conference committee.

"Without a Senate version of the scholarship bill," observed Representative Jeff Flake (R-Arizona), who authored the original DC voucher bill earlier this year, "the conference on the D.C. Appropriations bill has the potential to yield a much better bill with fewer compromises to render the legislation less effective. Clearly, President Bush feels strongly about this issue, and I'm quite confident that we can make D.C. school choice a reality."

### District Drops Ball on Millions

Meanwhile, during the same week, two new developments underscored problems with the management of education funds by government units in the District of Columbia.

On September 30, the *Washington Times* reported the District was at risk of losing \$23.8 million in federal education grants it had already been awarded. D.C. officials had failed to spend the money before the September 30 close of the fiscal year. In an interview with the newspaper, DCPS Chief Academic Officer Robert Rice seemed unaware of the situation or that the funds had even been made available. Most of grants were for professional development.

While city council and board of education officials squabbled publicly over who was at fault, U.S. Department of Education officials clarified they would permit the funds to carry into the following year.

### Stealing \$2.5 Million

During the first week of October, the ongoing scandal involving more than \$2.5 million in missing Washington Teachers Union (WTU) dues deepened, with charges being filed against a D.C. Department of Health official for conspiracy to embezzle union dues. The District official, who had been given check-writing authority for the union, allegedly used a fictitious compa-

### Hoekstra's Heroes



Pete Hoekstra (R-MI)



Jim DeMint (R-SC)



Jack Kingston (R-GA)



Marilyn Musgrave (R-CO)



Trent Franks (R-AZ)



John Shadegg (R-AZ)



Tom Feeney (R-FL)



Mark Souder (R-IN)

ny and bank account to launder the funds.

Meanwhile, former WTU president Barbara Bullock and two other union staff members pleaded guilty to conspiracy, theft, and mail fraud charges. The offenses could result in Bullock serving 10 years in a federal prison. Her offenses included falsely inflating teacher dues by \$144 apiece and stealing the increased revenues, according to prosecutors. The American Federation of Teachers has since taken over management of its local affiliate.

**"Without a Senate version of the scholarship bill, the conference on the D.C. Appropriations bill has the potential to yield a much better bill with fewer compromises to render the legislation less effective. ... I'm quite confident that we can make D.C. school choice a reality."**

JEFF FLAKE (R-ARIZONA)

### Congressman Urges Accountability

Although not directly prompted by the DC teacher union problems, the House Employer-Employee Relations Subcommittee on October 2 approved three bills sponsored by its chairman, Representative Sam Johnson (R-Texas), that would raise the bar significantly on union accountability.

One measure would give the Department of Labor substantial new authority to enforce its union accountability regulations. Johnson pointed out that Labor Department data from 2002 indicated more than 40 percent of unions

either filed their required disclosure forms late or did not file them at all.

Another measure approved by the subcommittee would empower the Secretary of Labor to bring civil suits on behalf of union members for failure to meet disclosure requirements, while protecting the identity of the members. A third proposal would require unions to disclose to their members information about their rights—including membership dues and membership rights—within 90 days of their joining the union.

The bills enjoyed bipartisan support in the Senate and are expected to proceed to the House floor in coming weeks.

### Education Freedom Caucus

Representative Pete Hoekstra (R-Michigan), a longtime Congressional champion of school reform, in October announced the formation of a new Education Freedom Caucus. The caucus "is dedicated to a worthy and just goal—to allow parents to choose the best education settings for their children," according to Hoekstra.

Charter members include Representatives Jim DeMint (R-South Carolina), Trent Franks (R-Arizona), Marilyn Musgrave (R-Colorado), Mark Souder (R-Indiana), Tom Feeney (R-Florida), Jack Kingston (R-Georgia), and John Shadegg (R-Arizona). School vouchers, tuition tax credits, and charter schools were cited as important caucus priorities.

"The strongest and surest inducement to educational excellence," said Franks, "is to give parents the ability to choose what kind of educational substance and environment is best for their child"—ideals the new caucus hopes to champion in the coming months and years.

Don Soifer is executive vice president of the Lexington Institute. His email address is [soifer@lexingtoninstitute.org](mailto:soifer@lexingtoninstitute.org).