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Senate

BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT

Mr. CARPER. Madam President, I yield myself such time as I may consume.

Let me begin by extending my appreciation to Senator Gregg and a number of our colleagues, both Democrats and Republicans, for joining me in offering this amendment today.

Over the course of the last several weeks, we have found considerable common ground as we seek to redefine the role of the Federal Government in education. We believe we need to invest, at the Federal level, more resources, but in programs that work. We agree on the need to give that money to schools and school districts from the Federal Government more flexibly. We agree if we are going to provide more resources, and if we are going to provide those dollars more flexibly, we should demand results there should be accountability. Finally, we all agree on the need to impart to parents the ability to make choices about the schools their children attend.

In the 50 States, all but one have adopted rigorous standards about what they expect their students to know and do. In more than half the States of our country this past school year, tests were given to measure student progress toward their State standards in subjects such as math and science and English and social studies. States throughout America have wrestled with consequences, with accountability systems. How do we hold schools accountable, school districts

accountable, parents accountable, and politicians as well? We have wrestled with those questions in Delaware. I know we are wrestling with them in all 50 States.

The bill we are working on, as it has been modified to date, has some important elements I want us to address with this amendment. I hope in offering this amendment we will make this bill better. I think there is a need for the changes we are offering in this amendment.

Under the legislation that has been modified to date and that stands before us today, we call on States to set their academic standards. For the most part they have done that. We call on States to prepare tests--some have prepared tests to measure student progress, but in this case we are calling on States to prepare tests to measure student progress on an annual basis from the third to eighth grade. We are calling on States to decide at what level they expect all of their students to perform roughly 10 years out.

In each of the next 10 years, we are asking them to spell out the benchmarks, the performance levels at which they expect their students to be able to perform, in year 1, 2, 3, 4, and so on, out to the 10th year.

There are consequences for schools where students do not meet the benchmarks, the improvement that the States themselves agreed on for their own schools. For failing schools--schools that fail to meet their annual progress improvement goals--the consequence is not great in the first year.

They will receive technical assistance--more help. I think that is appropriate.

The second year a school fails to meet the annual improvement goals for their students, more technical assistance is provided, but there are some additional consequences as well.

By the time we get to year 4, for a school that has continued failing 4 years in a row, meaning their students have not met the benchmarks set by their school, set by their State, the consequences become more severe. Let me mention a few of them.

First of all, the school district in which that school has failed 4 years in a row must offer public school choice, must provide the transportation for students to go from a failing school to a school that is not failing. In addition, the school district is faced with one of a limited number of options for addressing what to do with that failing school. One of those options is to turn the school over to the State to run. Another option is to disband the school with respect to existing faculty and administration and start all over. A third option will be to turn the school over to a private sector enterprise, a private entity, to run the school. And a fourth option is to mandate that the school be transformed and turned into a charter school.

Personally, I hope by the end of year 4 there are not any schools that are failing in this country. But I think that may be the triumph of man's hope over experience. We have tens of thousands of schools. We have thousands of school districts across America. There are going to be schools that do not meet the standards, the benchmarks set by their own States--in some cases, 4 years in a row. What do we do within the Federal Government to help nurture, to foster, to ease that transition to public school choice in those schools that have failed 4 years in a row?

I think Delaware was the first State to implement public school choice statewide. We did so to inject market forces into our public schools by saying to parents that if your child's school is failing to meet your expectations for your child, you have the option to go to a variety of other schools, and the State will pay for the transportation. It makes for wonderful change, for good change, and for a positive change as we introduce elements of competition into public education.

Unfortunately, if you look at what we are offering within the Federal Government to assist, to nurture, to encourage, and to help ease that transition from traditional public schools to maybe statewide public school choice, we do precious little.

The amendment I offer today with Senator Gregg and others says that we ought to do a good deal more. In this amendment, we do.

The second question I want to ask rhetorically is, If we say in this legislation before us today that after 4 years of failure we have to do something with that failing school-- one of the options is to turn it into a charter school--what do we do to help make sure that folks who want a charter school might have some ability to succeed in starting a charter school? How do we help them?

Under current law, we do a couple of things. Under current law, there is a basic charter school planning and development grant. It does not address brick and mortar, but it helps people who have an idea they would like to start a charter school and are not sure how to do it. It supports technical resource centers and clearinghouses that help point to what is working in other places to start charter schools; but with respect to brick and mortar, to help with the biggest challenge involved in starting up a charter school: Where are we going to have the

school? How are we going to pay for building the school? How are going to take over an existing building and refurbish it for our school? It is a huge challenge in my State and every other State. There are 36 States that now have charter schools. But current law doesn't help much in that regard. We help very little in terms of the money that we appropriate. In the current fiscal year 2001 Labor-HHS appropriations bill, there is a \$25 million grant to public entities and private entities that are engaged in providing credit enhancement to help provide space for charter schools. That help might come in the form of loan guarantees. It might come in the form of subsidized loans. It is \$25 million.

The amendment before us today says that we ought to grow both of these approaches. In the first case, instead of providing \$25 million--the program is currently authorized at \$100 million--why don't we increase the authorization to \$200 million to provide the assistance that charter schools really need to get started?

In the second case, we propose with our amendment to provide short-term matching grants to States that will help these charter schools on the brick and mortar side on the capital side.

Currently, in my State folks running a charter school and kids going to that charter school may receive operating money per student at that school equal to the operating funds that go to students in other public schools. However, in those other public schools, if they want to rebuild the school, build a new school, or refurbish a school, the State of Delaware will sell tax-exempt bonds for those public schools. The State of Delaware will pay anywhere from 60 to 80 percent of the cost of the principal and interest on those bonds. If a charter school is trying to get started in my State on the brick and mortar side, we don't do anything for

them. We don't issue tax-exempt bonds, or even pay for 1 percent of their capital costs, much less 60 to 80 percent. If you look at the other 36 States, for the most part, those States provide just about the same help to charter schools on the capital side as Delaware--does.

I don't think it is the role of the Federal Government to come in and make up all of that difference. We can, as a Federal government, through loan guarantees and subsidized loans, encourage other public and nonpublic entities to assist in starting up charter schools and paying for the brick and mortar costs.

We can also provide incentives from my State and other States to provide some capital costs and capital assistance for charter schools. We will provide matching grants at the Federal level. We will not pay for all of it, but we will provide matching grants to help States get those charter schools started.

At the beginning of the debate I asked to modify the amendment. I did so because there are some tax consequences that are not appropriate to be debated in the context of this bill because they are within the purview of the Senate Finance Committee and the House Ways and Means Committee. I will mention them anyway. I will use my State as an example because that is what I know best.

If the State of Delaware wants to help build public schools, we issue tax-exempt bonds. If a charter school wants to build a school for themselves, they borrow money. The interest is not tax-free. A charter school may be right alongside a traditional public school. The public school gets tax-exempt bonds. Whoever loans the money to the charter school has to pay taxes on the interest.

I don't think that is right or fair. I would like to change that. Unfortunately, we

cannot do that today. We will try to come back and address it in another venue with another vehicle.

For people who voted against the Gregg amendment on a demonstration for vouchers, I understand it was a tough vote. But for people who weren't willing to experiment in that way with choice, I urge you to consider this approach.

If you think public school choice can really help introduce market forces and competition into our public schools--other States are trying it--I urge you to vote for this amendment. If you think that we may be able to replicate the success of schools across America as we have done in Delaware--I urge you to vote for this amendment. The Presiding Officer, in another role as First Lady, actually came to the very first charter school we started in Delaware about 5 years ago. We were pleased to welcome her there. We were trying to start a charter high school. I say to the Presiding Officer that last year when the results were counted for tests in reading, math, science, and so forth, the high school that did the best of all the public high schools in Delaware was the Wilmington charter school that she visited.

In my State, the only school out of almost 200 schools where every student who took the Delaware math test last year actually met or exceeded the State's math standards, believe it or not, is the school that has the highest incidence of poverty in the State. Eighty-three percent of the kids at the East Side charter school receive free or reduced-price lunches. No other school in our State has an incidence of poverty such as that.

Those are only two examples of charter schools: one is a high school and another is K through 3. Charter schools are working well.

I hope we will say that the Federal Government should have an obligation. Under the accountability provisions of this legislation, I think there is a real obligation to assist in pushing forward public school choice and in making the transition from traditional public schools to charter schools. Maybe it is not easy, but it is something that is doable.

I retain the balance of my time. I turn it over to my colleague, and again say to Senator Gregg, thanks for joining in support of this legislation and, in fact, for amending this legislation to help to make it better.