In June the legislature approved the plans proposed by the Governor to issue up to $110 million in bonds to make up for the shortfall and reduced revenues in order to provide a fiscal year budget of approximately $2.9 billion for schools. The original budget proposed was slightly over $3 billion. While school district budgets would have been reduced by 2-3%, higher education institutions would receive cuts of over 10% for this coming year. In addition to the bonding authority, districts have been provided greater flexibility in terms of allocation and reallocation of earmarked funds. One casualty could be a reduction in compensatory education programs for at-risk youth.

In July the Alabama Supreme Court ruled that K-12 schools in post-secondary institutions had to share equally in budget cuts when revenues are less than anticipated. The “proration of reductions” would be for all non-salaried costs. As a result, districts will have to sustain cuts of 3.7% between now and September 30, the end of the fiscal year, if they already haven’t undertaken measures prior to the court decision.
The 2001-2002 budget for K-12 is $1.79 billion up from $1.75 billion in 2001-02 fiscal year. Most of the funding will go for salary raises of $3,000 over the next three years for teachers. Arkansas teacher salaries are $3,000 below the southern regional state average and $8,000 below the national average.

Governor Huckabee announced recently that he would provide over $1 million from a general improvement fund to make state funding for the nine technical institutes and a vocational technical school more in line with postsecondary two year and four year colleges in the state. In addition to the recent million dollar increase for technical and two year colleges, the overall budget for two year colleges will be $90 million while technical colleges budgets will increase over 10% to $26 million.

The legislature also provided an increase of $5.3 million for a state preschool program and additional funds have been provided to the state mentor teacher professional development program.

IMPAC Learning, which was created in 1984 to facilitate volume discount purchases of hardware and software for districts, has become a for profit firm re-named IMPAC Technology Solutions, headed by George Baker with Dr. Cecil McDermitt serving as a consultant prior to full retirement (501/972-1872). The team plans to serve as a “system integrator” helping districts plan and apply for E-Rate discounts and to serve as a dealer/distributor of certain education products providing followup support, maintenance and related services, which is what IMPAC Learning did over its 16 years of existence as a non-profit.

The Arkansas Department of Education and WorldCom Foundation are implementing Marco Polo involving the 15 education service coops which provide professional development, materials, and links to web sites for ongoing staff development.

Under Phase I training 900 superintendents and principals of middle schools began to receive training in March in uses of technology for school improvement and improve student achievement.
The next phase will include elementary and high school principals.
Even though the state board has reduced the minimal achievement level to pass the new high school exit exam, less than 50% of students who volunteered to take the test earlier this spring achieved the minimum score of 60% in reading and 55% in mathematics; about 75% of Hispanics and African Americans failed the test. Beginning in 2004 passage of the state exit exam is a prerequisite to graduate with a regular high school diploma. Such tests will be given to tenth graders. Those who flunk will have an opportunity to take the test once again.

As noted in the last Washington Update, the State Senate has passed a bill that would expand the type and number of exams related to academic standards while at the same time de-emphasizing the importance and weighting of the SAT 9 in schools. A greater emphasis would be placed upon end-of-course high school exams for all students. The end of course exams related to standards referred to as the STAR California Standards Test would increasingly be used as the “measuring stick” for accountability.

The Disability Rights Advocacy (DRA) group which filed the lawsuit that resulted in the Oregon settlement to allow students with disabilities to use technology to take state assessments, has filed a similar lawsuit against the California Department of Education; it is challenging that the state high school exit exam does not provide reasonable accommodation for students with learning disabilities or to provide any alternative assessment. It has also argued that students with disabilities are tested on materials that have not been covered by them or specified in the IEP.

As the national School To Work program completes its sunset this year, California legislators are considering various initiatives which have certain aspects of the Federal School To Work initiative. One bill proposes to create model curriculum standard for career and tech prep carrying a price tag of about $90 million. Governor Davis has called for a $10 million investment in new equipment in the state’s occupational centers. Included in the $90 million proposal are $10 million to support industry certification programs, and about $50 million to refurbish centers with new equipment.
Approximately 70% of high school graduates do not pursue higher education. The website for the California clearinghouse referred to as California Learning Resources Network (CLRN) is now available and includes a list of digitally delivered products that meet California alignment criteria with California standards.
Under a Gates Foundation grant, $8 million has been provided to the Colorado Department of Education to promote reform of high schools, including the creation of new types of high schools. Three initiatives will be funded including:

- starting charter high schools for technology;
- creating a network of charter schools; and
- improving large poor performing public high schools.

The New Schools Development Corporation will be creating four technology center charter schools which will enroll between 300 and 450 students each as part of the reform.

The legislature has modified the accountability report card labeling of schools A-F (Excellent through Unsatisfactory). Over $4 billion earmarked specifically for education is likely to become available over the next ten years under Amendment 23 which requires an increase in state aid at 1% over inflation over the next ten years. Other important appropriations include $20 per student to buy new textbooks; $5 million for charter school construction; some increased funding for full day kindergarten and low performing schools.

Governor Owens’ two-year leadership technology student achievement initiative budgeted at almost $3 million over two years is underway. Superintendents and principals will be trained on the effective use of technologies in schools. Funds are a combination of Gates Foundation and state matching. The contact is Eric Feder, 303/866-6859.
Overall K-12 education funding will increase to $12.5 billion or 6% this coming school year. The legislature also expanded a pilot program that provides vouchers ranging from $4,300 to $20,000 for parents of children with disabilities who enroll in different public or private schools. Last year approximately 1,000 students generated such vouchers for their parents. Programs will now be available to all qualified students with disabilities.

Hillsborough County Public Schools, over a five year period, is planning to purchase over $50 million worth of COMPAQ computers and technology services under an educator/parent purchase program where rebates will be provided to the district under the volume discount agreement. The district will be guaranteed prices for different products and services over time. A detailed description of the arrangement is in eSchool News, June 2001.

Governor Bush announced his appointments to the new State Board of Education under a voter approved referendum in 1998. The new board will then appoint an education commissioner beginning in 2003. Senator Jim Horn was appointed interim Secretary of Education which may become a permanent position for him. Some of the new board members are Philip Handy and Julia Johnson, who was one of the instrumental state figures in designing the implementation plans for E-Rate program in 1997-98.

The vast majority of Florida districts have received their annual report cards. The number of schools rated A or B grew from about 520 two years ago to almost 1,000 this year and the number of D or F schools dropped from about 700 two years ago to 300 this year. The Florida Commissioner of Education, is reported to have attributed increased student performance in schools to the state government financed vouchers program for private schools as there now was a consequence or a reward for schools who perform badly or well. Florida Education Association officials have attributed the increased performance to more funds being allocated to poor performing schools.

The Florida Online High School (FOHS) serves approximately 3500 students during the 2000-2001
school year and involves all 67 Florida districts and an increasing number of charter and private schools. Currently 19 districts provide instructors for various courses which are aligned to the Sunshine State Standards. While a student can earn credits through the FOHS, it is currently not a diploma-granting high school. Among the formats used in the system are videotape, CD-ROM, and websites, with a plan to have video and audio streaming available. It has about half of the dropout rate among online high schools nationwide. The new Bureau Chief is Melinda Crowley, replacing Suzanne Martin, 850/488-0980.
The legislature approved $1.3 billion for K-12 for next year which was about $30 million less than requested but about $300 million higher than last year’s budget. Some of the funds were reallocated from other state agency budgets. Under the 20% increase in teacher salaries agreed upon by the Union and the Governor, slightly over $100 million will be obtained from a variety of sources to pay for salary increases. The legislature has appropriated over $40 million to increase services for special education students in response to the Felix v. Cayetano decree. Some of the funds to meet the court decree will come from salary savings incurred during the April fourteen day teacher strike. The legislature will provide slightly over $50 million for new classroom construction and $15 million for school renovation. The legislature, however, did vote down the Governor’s request for $21 million to purchase 18,000 computers to reduce the student teacher ratio from 6:1 to 4:1. The $175 million which the governor proposed to use for the college scholarship program was also defeated.

Governor Cayetano has vetoed a bill last session that would privatize the state’s corrections operations. While supported by the legislature, United Public Workers opposed the bill.
The legislature has reallocated $10 million from the Emergency Health and Safety Fund to help districts pay interest on bank loans to be used for school construction and repair. The legislature also raised the minimum starting salary of teachers from $22,000 to $25,000 for a cost to districts of an estimated $2 million. Overall K-12 will receive a 6.7% increase to $870 million; some will be used to develop and approve statewide academic standards for grades K-8 in language arts, math, science, social studies and health. Last year standards in grades 9-12 were approved; $8 million is earmarked for professional development relating to implementation of these standards. A new accountability system is to be implemented by 2006 which requires an increasing percentage of students as they progress from K-8 to pass state assessments. Otherwise schools face the probability of state intervention.
The legislature has altered a formula for distributing supplemental funding for children. Under the new formula districts will receive a sliding scale linked to student poverty with the per pupil amount ranging from $300 in districts with low poverty to $1,500 per student with large concentrations of poor students. With a budget for preK-12 of $6.2 billion for next year (which began in July) over 2/3 of the $300 million increase in funding will be used to reduce disparity between wealthy and low income districts. Half of the entire state budget will be targeted upon job training and education.

The plan proposed by the Governor last Fall and supported by the Illinois Business Roundtable calling for annual testing of students in grades 3-11 did not pass the legislature. It is likely that later on in this session the legislature will pass an annual assessment plan very similar to the 3-8 initiative proposed by the Bush Administration.

The Department of Central Management Services has issued an RFP for implementing a statewide telecommunication network which will include video/data networks with point-to-point service, DSL and Internet, incoming and outgoing long distance voice, calling card service, and telephone service. A contact within the LEA is Rich Dehart (217/782-5439).

The Illinois Education Association has announced its opposition to US District Judge Gettleman’s new requirements placed upon special education teachers; as reported in Education Daily May 21, IEA stated that “many of its 2,600 special education teachers will leave the field.” Prompted by previous lawsuit settlements, the state board has proposed new ways to certify new special education teachers beginning in 2002. However, Judge Gettleman refused to allow the state board plan to override his mandate.
In May the Indiana Department of Education awarded TLCF grants to 18 middle and high schools of approximately $300,000 each. The major purpose of the grants is to help students select and use technology tools to obtain and analyze information and apply or present that information to others. Funds may be used to purchase computers, connect classrooms, and purchase software to help students achieve Indiana’s academic standards.

The state will allocate $3.4 billion for operating aid to school districts this coming school year which is a 3.5% increase and the following year will also receive a 3.5% increase. The overall K-12 budget for FY 2001-02 is $3.75 which includes the $3.4 billion for operating aid; $10 million will be allocated for all day kindergarten programs, which are expected to increase rather dramatically in the future. It would also allow younger students to participate in full day kindergarten programs. For the most part the legislature reduced the requested funding for existing and new programs. However, the Governor did sign a law that permits charter schools in Indiana, which he has promoted for over five years. Rather than getting the $50 million for full day kindergarten, he got $20 million over two years. A new Reading Diagnostic Program is funded at $2.5 million and new “performance awards” at $3.2 million. The Governor requested $30 million of a teacher training initiative as part of the 1999 state accountability legislation but only got about $16 million, mostly which will be spent two years from now. Most of the technology-related budget requests were reduced such as the technology plan grant program from $20 million to $18-$19 million.

The Indiana Court of Appeals recently ruled that the state can require students with disabilities to pass the same high school exit exam that other students must pass in order to graduate. Lawsuits were filed in 1998 arguing that the rights of poor disabled students were violated because they were not given sufficient notice and opportunities to receive remediation. In the initial claim, the parents argued that the state did not provide “reasonable accommodations” when their children took the tests. The most recent court decision argued that students could be provided a “free appropriate public education” without developing the necessary skills to pass the exit exam, i.e., Federal and state laws require only education opportunities, not guarantees of educational outcomes. The Indiana
Civil Liberties Union had filed a lawsuit on behalf of the students and is considering an appeal to the state Supreme Court. The outcome of this final decision related to this case could have a major impact nationwide, especially if it goes to the Supreme Court.
The most significant legislation passed by the Iowa legislature was to pass a new teacher compensation package in which educators’ pay will be based upon their work performance and student achievement. The K-12 budget for this coming school year is $2 billion of which the new teacher pay plan will be allocated $40 million to establish a new evaluation system and provide cash rewards in schools where student scores increase. Teacher-based salaries will increase from $23,000 to $28,000. Some of the teacher pay plan funding will come from the state’s tobacco settlement. While K-12 per student allocations increased 4%, the school technology annual appropriation for the last several years of $30 million was cut to $10 million. Officials believe that technology commitments will have to be funded out of the general fund to make up for the shortfall or purchasing will be postponed. Class size reduction and early literacy programs will increase from $20 million to $30 million this coming year. Approximately $2 million will be allocated for professional development while new charter school legislation passed the Senate will likely have a better chance to pass the House next year.

The State Information Technology Department has issued an RFP to sponsor the state’s Internet portal in order to generate revenues to pay for its implementation. The successful bidder will provide all hardware, software, support services, maintenance, promotion, project management, to supply sponsorships for the state web portal. A contact is John O’Connell, Consultant, Instructional Technology Office, 515/242-6354.

While the legislature is seriously considering alternative ways to finance the state’s telecommunication backbone, ICAN, an article in eSchool News, May 2001, cited a recent state audit which found questionable expenditures under the state’s four year $150 million School Improvement Technology Initiative which began in 1996. The items which have been in question on the surface do not appear to be serious. On the other hand, this has given the state legislature an opportunity to reconsider the state’s support for technology purchases under this 1996 initiative.
While the Governor requested $50 million to provide laptop computers for all 7th grade students beginning in the Fall of 2000, the legislature appropriated $30 million and challenged the Governor to raise the remaining amount through foundations and other self-sustaining sources. Under the program, schools will own the laptops but can take the laptops home with them through a “sign in and out” process similar to library books. Funding will also be used to train teachers. If the same budget level holds, approximately 20,000 laptops will be purchased annually. Governor King also signed a bill which would begin administration of school exit exams in core subjects by the Spring 2007. The exams will be linked to the state’s “learning result standards” and may include standardized tests, performance assessments, and portfolios. Ed Gomes is the state Instructional Technology Specialist, 207/287-5620.
The state K-12 budget for next school year is $3.4 billion which is a 5% increase over this year. A new initiative of the Governor will receive about $20 million for improving instruction in preK through 3. Several million dollars will be provided for programs to get children ready to learn and enter school. Approximately $5 million will be provided to private schools to purchase textbooks which is less than the $8 million requested. Eligible schools are those which charge a tuition fee of $7,000 per student or less. Both the Governor and legislature agreed to put on hold a request for $130 million to change the school finance system as recommended by a commission. Proposed legislation relating to charter schools and all day mandated kindergarten programs were not passed by the legislature. Most of the technology initiatives from the last year will receive similar amounts for this coming year.

In a recent Fourth Circuit Court of Appeals decision, the three judges ruled that the state could provide funds directly to a church-related college if the school does not use any of the funds for purposes which would have the effect of advancing religion. The Maryland Comission of Higher Education had denied funding for Columbia Union College which is operated by the Southern State Adventist Church, arguing that the grant money would be used for religious purposes. The District Court of Maryland ruled in favor of the state but the Appeals Court reversed its decision in 1998. Hence, the case was sent back to District Court. Key to the winning argument appeared to be the fact that academic courses remained essentially secular at Columbia Union.

Most of the state’s teachers will be eligible for retirement in four years. The biggest problem area will be in special education. Currently almost 10% of all the teachers in special education programs have not been certified to teach special education which is 50% higher than the national average. Maryland schools will need to hire about 1200 special ed teachers this Fall of which 800 will be in urban areas. A shortage of approximately 200 teachers will be projected in spite of new initiatives such as tax credit and signing bonuses, scholarships and other means of enticing teachers to come to Maryland.
As the result of sunset of the National School to Work initiative, Maryland officials are attempting to integrate many School To Work principles into the state’s K-12 career development system. All high schools will be modified over time to include ten career clusters. The state is developing five career clusters that combine industry-based skill standards with academic curriculum. These clusters include business management and finance information technology, hospitality and tourism, architecture and design, media communication, and construction and development. Future clusters will include agriculture, health and bio sciences, human resources, manufacturing, industry and technology, and transportation technology. As part of the Career Connections Reform movement, students in elementary schools engage in self-awareness and career awareness activities. High school freshman explore careers and all students must elect a career cluster by the end of the ninth grade.
VES (Virtual Education Space) was launched on November 7, 2000. In addition to providing online tools for teachers, beginning next year every student will have “space” to access assignments, save work, and receive feedback from teachers and store completed work in digital portfolios that are tied to state assessments. About $10.7 million has been funded to support the implementation of VES. In addition, $35 million has been provided for staff development and to support district participation in VES.

Included in the FY 2001 budget is $5 million for the Department of Labor and Work Force Development to provide matching grants to local workforce boards to encourage public/private partnerships linking high school students with on the job opportunities. In FY 2000, 3,300 students participated earning $32.5 million and 1,200 teachers had opportunities to intern with industry. Most of the funding has been used to hire almost 150 career specialists.

Programs for non-English speaking students are a major political issue with changes likely. Currently if a district has 20 or more students with the same language background, a transitional bilingual education program must be provided. If less than 20 LEP students are enrolled some type of support program should be provided. One proposed change is to rely on the current system but require that LEP students make progress on state academic standards. For students who do not meet state standards, individualized plans must be developed as follows. Parents would have the option of having their student placed in two-way bilingual structured immersion or modified bilingual world language instruction. At least 30% of instruction would have to be conducted in the primary native language. Another approach supported by various legislators would overhaul the current system and replace it with English immersion. Another proposed change would be to require that bilingual education teachers be proficient in English.

The vocational education community continues to seek exemptions and modifications for vocational education students to take the MCAS test. Another legislative proposal would substitute a certificate of occupational proficiency in lieu of a regular high school diploma. Another proposal is designed to
allow voc ed students more flexibility to attend voc ed schools elsewhere in the state.
Under a $10 million contract Standard and Poor’s has now implemented an online school evaluation system which collects over 1,000 data points on each Michigan school district and provides 10-20 page summaries related to district strengths and weaknesses. The overall system is supposed to help districts in allocating funds in order to get bigger “education bangs for the buck.” An editorial in School News recently compared the Standard and Poor’s system to a similar system developed by the North Central Regional Education Lab which costs approximately $400,000 to develop and implement. Critics of the S&P systems have questioned whether or not the $10 million could have been more effectively used, such as developing new state assessments.

A bill has been proposed in the legislature that would require that education funds from the lottery be distributed to districts in relationship to the sales of lottery tickets in a district. Currently about 6% of revenues for school aid comes from the lottery or about $810 million. The Governor has opposed such legislation but rather would like to provide a minimum of $6,000 per pupil to districts.

The Michigan legislature is considering a bill which would require students to remain in school until they turn 18 or graduate, which is two years older than current school law requires. Under the state’s mandatory attendance and many Federal definitions of “adults,” the current definition of an “adult” is 16 years or older to qualify for WIA TANF funding, GED Prep and DOL programs. While the new state superintendent, Tom Watson, supports the idea, Governor Engler opposes it under the contention that a better use of state resources is at the elementary school level. Over five additional states are considering increasing mandatory attendance ages; New Mexico has raised the age from 16 to 17.

State Superintendent Thomas Watkins has decided to change the state school accreditation system before the new system conducted its first school assessment. His argument was that the new accreditation system was too dependent upon single measures from the Michigan Education Assessment program performance based system. His decision was not widely applauded by Governor Engler who had pushed the system through under State Department of Education prior
leadership. Some groups estimated that as many as 17% of the state’s 660 high schools would not have been accredited under the current system. While the decision was greeted warmly by education groups, many in the business community appear to have been opposed to the decision of the new superintendent, who has been on the job since April 1. The new superintendent said the revised accreditation system would use some of the data captured and reported on the web-based Standard and Poor’s system noted earlier.
Avoiding a potential shutdown of all government at the end of the fiscal year, the legislature basically approved Governor Ventura’s proposal for overhauling the state’s aid to education program. Most of the basic cost of K-12 education will be shifted to the state to a tune of about 60% of general cost of K-12. The rest would be financed through property taxes. Each district will also receive an additional $415 per student for capital expenses and other costs. For next year $8.7 billion will be allocated for K-12 education, up 8.7% from the previous fiscal year. Other initiatives include:

- $8 million for a pilot program which districts could use to base teacher salaries on performance or other factors other than credentials and seniority;
- $2.5 million to evaluate and report on student performance.

The state academic standards, referred to as Profile of Learning, will be revamped with proposed changes to be made to the legislature next year.

One of the important education bills that passed is the integration of work force development, job training and economic development in one agency. The Governor has called for the creation of the best work force possible by linking economic and work force development together including partnerships between business and nonprofit entities.
Earlier this year the Governor announced a public private partnership which would raise $28 million using Federal, state and private funds to provide at least one computer per class and connect all classes to the Internet. Approximately $4 million has already been raised with an additional $2 million needed to purchase the remainder of the estimated 6300 computers for use in classrooms.

K-12 spending will increase next year by 2.5% to almost $1.5 billion. The legislature also extended to 2004 the charter school legislation that was passed several years ago even though the number of charter schools has dropped from 7 at that time to only 1 this year. Most of the Governor’s request for increased teacher salaries and increased funding for existing programs were scaled down considerably by the legislature because of the budget shortfall which occurred early this year due to reduced revenues from sales taxes.

The Year Five TLCF competition will provide slightly over 30 grants to districts and schools to expand technology use at secondary schools. Awardees have been announced on the state website at [http://mde.k12.ms.us/oet/grants](http://mde.k12.ms.us/oet/grants).

The MS.Triad.Net PT grant will establish a statewide system of services and resources for teacher education related to technology use. Participating are historically black colleges and universities in Mississippi, including Jackson State, Alcorn, Rust, and Tougaloo. Also participating are WorldCom and Classroom Connect. The total three-year catalyst grant is over $900,000.

While community college funding was up 11% to $106 million, the legislature did pass a bill to establish a vocational apprenticeship program which students can use to earn credits towards graduation.
Overall, the K-12 budget for next year increased to $4.4 billion or a 4.5% increase. Under a bill which the Governor signed into legislation, report cards will now be provided not only for districts but also individual schools that will include student performance on state tests. Legislation which would allow for immediate takeover of the Kansas City Public Schools was passed in the House but died in the Senate. Charter school legislation received more support this year than last but not enough to pass.

Since January 1 all prisoners in the Missouri Department of Corrections without high school diplomas are required to pass the GED test before they can be eligible for parole. Approximately 64% of the 27,000 inmates enter without a high school diploma. If an inmate fails a test, they can continue taking it but pay a $12 testing fee each time. Two out of three inmates are high school dropouts and one-third are functionally illiterate. The contact is Tim Kniest (573/526-6482).

As a new incentive, nationally certified teachers (by the National Board of Professional Teaching Standards) who mentor other teachers seeking certification, will receive a 10% salary supplement on top of a $5,000 bonus. Governor Holden has also requested $4 million for one time funding for technology grants to schools primarily to be used for infrastructure development. Almost $6 million has been set aside to provide special education services.
Based upon a recommendation from the Commission on Education Technology, the legislature appropriated $9.9 million for the biennium for education technology. Approximately $1.2 million would be available each year to ensure the schools have a network computer in each classroom. Approximately $2.5 million would be made available each year for maintenance of hardware and software, and $625,000 would be available to purchase software and technical support; $150,000 would be available each year to support pilot programs to demonstrate best practices. The distance learning satellite service would receive $400,000 while $500,000 would be available each year for licensing online services. The primary contact is Frank South (775/687-9141).

The biennium budget includes increased funding for teacher salaries or bonuses of approximately 5% during the first year and 3% salary increases the second year. Approximately $190 million will be used to continue the state class size reduction for two more years, reduce the ratio in grades 3 to 19:1 and in grades 1 and 2 to 16:1. The legislature considered allowing this funds to be used more flexibly at the local level but in the final analysis did not pass the amendment. The 11% increase in K-12 funding to $1.6 billion includes set-asides for teacher training in grades K-3 and for remedial program for students failing high school proficiency exams.

The Nevada legislature is proposing legislation to change the Nevada Department of Prisons to Department of Corrections reflecting a philosophical change emphasizing training and rehabilitation. Over the last year an intense effort has been under way headed by the Director of Prison, Jackie Crawford, which has resulted in the number of inmates enrolled in education programs doubling over the last year. Moreover, education programs now go beyond high school diplomas or GED prep. Contact is Jackie Crawford, (775)887-3285.

The Clark County (Las Vegas) School Board has tentatively selected Edison Schools, Inc. to operate seven schools during the next year. Edison is attempting to obtain $1.5 million in philanthropic gifts per school to cover start-up costs. This is part of a new Edison strategy to become the operator of schools with low per-pupil spending. Thus far, approximately $3 million has been raised by the
private corporation. In addition to operating schools, Edison has operated for one year the entire school district of Inkster, Michigan, and has plans underway to operate entire school districts in other states. In Dade County, Florida, Edison is a contractor for the local teacher’s union which will serve as a Board of Directors for one school.
A state court has ruled that a district could use free student labor to help construct a building as part of a class assignment. An earlier decision by the State Labor Commission argued that the students should have been paid under prevailing wages. The decree could firmly establish a precedent for districts to use high school students as “first line troubleshooters” for local area networks and other technology configurations by providing maintenance and support under the supervision of adults. An increasing number of districts in the country which are establishing such programs. The initial program was established under a NSF grant in the 1980s in Issaquah, Washington, where the district’s information technology group consisted of five adults and a over 30 students who received credit for their “on the job training.”

Almost a third of New York City students are enrolled in summer school. Almost 200,000 are required to attend and about 15,000 are enrolled in intensive English language classes. This is the first year that high school students have been required to attend. Last year about 300,000 students completed summer courses compared to 327,000 who were enrolled this year.

A recent report by the State Department of Education claims that for the first time in six years the number of special education students in the state remained the same over a two year period, with almost 50% of special education students attending regular classes more than 80% of the school day. Moreover, special education student performance on English elementary and English, math, social studies and science high school levels have increased. However, only 14% of 4th grade special education students passed the state math exam compared to almost 50% statewide. Only 10% passed the English test compared to 35% statewide.

The New York City School Board has approved a plan proposed by Chancellor Harold Levy to significantly modify bilingual programs in the district by giving parents more choices and making it more difficult for students to stay in bilingual special education beyond three years. Parents could choose the type of program their child should participate in, including transitional bilingual education, ESL, dual language, and high-intensity English. The cost of implementing the plan would
be approximately $75 million, which would represent a 44% increase in the City’s existing budget for bilingual education.

The Board of Regents has decided to allow vocational students to graduate with modified requirements by allowing them to take additional credits in job-oriented classes even though they still have to pass five academic assessment exams in order to get a regular high school diploma. New York City schools, headed by Harold Levy, has requested a waiver to exempt vocational students from certain Regents exams, including history and science. The State is also considering alternative assessments including contextualized exams for computer science courses in lieu of science exams.
For K-12 next year, a 7% increase to $855 million will occur with a 6.5% increase the next year as part of the biennium budget. Schools can also tap into a $70 million “common school trust fund” which includes a $14 million increase for next year which represents an $80 per student increase. Unlike South Dakota, few state funds have been earmarked for technology, rather the state relies heavily on E-Rate discounts for infrastructure development. The state has allocated over two years $2.5 million for technology related staff development. Most of the increase in North Dakota funding for education will be for salary increases for teachers which represented a major political battle throughout the year.

The state plans to implement in the very near future ATM T1 services for all schools in the state as well as state and county government entities. Proposed legislation would move the North Dakota Education Telecommunications Council to the North Dakota Information Technology Department from the Department of Public Instruction. This group had a major role in the planning and implementation of state technology initiatives in the state since 1980. A contact is Christopher Kalash, 701/328-2273.
Currently there are three cases concerning vouchers in Cleveland which argue that the tuition choice program there does not violate church state clauses in the constitution. In an unusual step, the U.S. Justice Department has asked the Supreme Court through a “friend of the court brief,” to consider the three voucher cases. If the Supreme Court is willing to hear and then votes in favor of the Cleveland voucher program, then this will be an enormous boost to the Bush proposal for vouchers in the future.

Governor Taft has signed a bill which is designed to improve the alignment between state proficiency tests with academic standards. The existing proficiency tests in grades 4, 6, 8 and 12 will be radically modified. A new test will be given in grades 3, 4, 5, 7 and 8. Four proficiency levels will be designated to students based upon their scores. Unlike the original proposal, however, state proficiency test scores can not be used for determining student promotion. The state board must develop K-12 academic standards in reading, writing, and math by December 31, 2001, and for science and social studies in the same time frame next year. Standards and model curriculum for computer literacy must also be developed. Diagnostic tests will be given to all students in grades K-8. State approved “end of course exams” at the tenth grade level may be substituted as a graduation test for students who do not pass the new state graduation exam.
While the Governor requested much more funding for many of his reform initiatives, the total amount of new funding for K-12 would be $64 million which will be used primarily for purchasing new textbooks, employee retirement contributions, and health benefits. Another bill signed by the Governor would expand the state assessment by requiring each student in grades 1-3 be assessed at the beginning of the school year in basic reading and language skills. The reading program will be phonics-based with the objective of having 90% of all third graders reading at or above grade level by 2007. The legislature did not pass additional requirements but are waiting to see the results of the ESEA reauthorization and whether the Bush proposal will be adopted. While the Governor’s proposal to provide incentives to districts who reduce administrative costs was not passed, another new law would require the conduct of performance reviews and audits of the operations and efficiency of school districts. Another law, SD 595 would allow schools to count students who take Internet or other distance learning courses as part of their average daily attendance to generate state aid.
After $3 million for development and in a February 1, 2001 court settlement where the state admitted its failure to provide reasonable accommodation for special education students taking their state writing exam, in April over 6,000 3-10 grade students in 30 pilot schools took their annual math, reading test online. Over 700 schools will be added by 2002. The state anticipates saving over $25 million through reducing the cost of printing and distributing exams by making state assessments available online. This will also lessen the probability of subsequent lawsuits from other parents as online assessments can be modified to provide reasonable accommodations more easily than paper and pencil tests.
A Pennsylvania judge has ordered school districts to pay a portion of student generated state funding for students who are receiving distance education programs. The Western Pennsylvania Cyber Charter School which has an enrollment, according to eSchool News (July 2001), of 520 students has submitted bills to the respective school districts for approximately $850,000, which the approximately 100 school districts refused to pay. Under the court order, districts will have to pay the invoices or the state will withhold an amount equal to unpaid invoices and send the amount directly to the charter school. Lawsuits have been filed by the Pennsylvania School Board association claiming that the Cyber Charter Schools were created and operated in violation of the 1997 charter school law, which they argue permits only districts to operate charter schools.

Edison Schools Inc. announced in June that it has acquired Learn Now which is one of three school management firms which are “competing” in Pennsylvania’s free market competition in education. The other firm is Mosaica Inc. which is operating schools in the Chester Upland district. This particular acquisition could result in less competition in the education market place for the state.

The legislature is considering a moratorium on new charter schools and is also considering changes in the way they are financed. Since 1997 school districts must pay local charter schools approximately 80% of the district’s per pupil expenditures. Governor Ridge, a strong supporter of charter schools, has opposed the proposed legislation.

The legislature recently approved the Governor’s proposal to provide grants to parents for afterschool tutoring similar to the current Bush proposal. Corporations could also receive state tax credits if they donate funds to groups to provide private school scholarships to students. In return, the Governor agreed to increase retired teacher pension funds of between $7,000 and $10,000 only for retired teachers. The Pennsylvania State Education Association agreed not to file lawsuits against the tutoring grants and to withdraw its suit challenging the state legislation to allow the SEA to take over and reconstruct failing districts. In addition to the pension increase, an additional $80 million will be provided for special education. Approximately $24 million will be advanced to parents for
tutoring conducted by providers of their choice. The legislature also approved the creation of online assessments for teachers to allow teachers self-assessment of their knowledge in reading and math. The state estimates that approximately $100 million is spent in the state each year on professional development. The online self-assessment system is designed to determine how such funds should be allocated.
The budget for next school year includes an increase from $30 million to $33 million for the governor’s flagship program, the First Steps early childhood program. Approximately $50 million was earmarked for implementation of the new education Accountability Act of 1998, which becomes fully implemented by November 2001. These funds will be used to hire over 150 teacher specialists to work in schools that are “low-performing” under the accountability system. Officials anticipate approximately $125 million will be raised during the first year of the lottery for college scholarships and any revenue above that will be used on school technology.

The state has received slightly over $1.5 million from the Gates Foundation which will be used over three years to train slightly over 1,000 public school superintendents and principals, each of whom will be provided laptop computers in addition to training.

As a result of revenue shortfalls, there is the distinct possibility that education programs in correction facilities could be eliminated. Proposed budget cuts in corrections could result in cut back or elimination of education counseling related programs not considered to be necessary to ensure safety and effective operations.
The Gates Foundation has provided $675,000 as a state challenge grant which will prepare administrators for leadership roles in technology; 450 school administrators will participate in leadership workshops over two years and 50 will receive advanced training to serve as trainers.

The legislature will increase K-12 spending by almost 5% to $314 million for 2001-02. The legislature also approved funding for distance learning via video conferencing through a new Technology Center at Northern State University in Aberdeen. The Center will provide advanced level courses in chemistry, physics, calculus, math and science enrichment. The distance learning system will be also used for mentoring teachers. The legislature also appointed a study group which would focus on rewarding teachers based on performance and alternative teacher certification programs designed to help professionals enter teaching. The Governor vetoed a bill passed by the legislature which would expand the college scholarship program for students to include enrollments in private religious institutions, which the Governor felt was unconstitutional.

The state assessment program includes the SAT 9 and the Stanford Writing Assessment Program 3. The SAT 9 is not aligned with state standards. Several of the larger districts have developed their own criterion referenced tests which are aligned with the state and their own local standards, including Sioux Falls district. An effort is underway to develop criterion referenced tests for statewide use under a $500,000 grant.

The legislature has approved a $1.1 million appropriation for training first and second grade reading teachers, who receive a $700 bonus upon completion. Approximately 17% of the public schools offer AP courses while 45% of students take upper level math courses.
TEA Commissioner Jim Nelson recently announced that 82% of students in grades 3-8 passed the state TAAS in reading, writing, and mathematics which is up from 80% last year. However, critics have noted that since 1999 the passing score has been lowered about 50% through “equating.” Other critics have indicated that equating of test scores is necessary in “high stakes testing” states, such as Texas. Evidently, over the last year the number of questions required for passage for seventh graders was 30 out of 58 questions compared to 33 last year, and on the third grade test required passage of 24 of 44 questions correctly where last year it was 31.

The Texas legislature has passed legislation which would cap the number of charters granted at 215, which is about 25 more than the state’s current number of charter schools. In addition it has provided the TEA Commissioner with more governance authority over the management of charter schools and to close charter schools that appear to be failing. A new provision also allows universities to establish charter schools. The effectiveness of charter schools in increasing student performance has been questioned by numerous surveys. A recent evaluation of charter schools in Dayton, Ohio, found that public school students did better than their counterparts served in charter schools.

The Texas Telecommunication Infrastructure Fund (TIF) is supporting a collaborative effort with Intel to provide technology-related training to 20,000 teachers throughout the state. The model to be used is Intel’s Teach to the Future program, which has the support of Microsoft Corporation. Approximately $4 million will be invested to expand the program by TIF over the next three years to 40,000 teachers. The training agencies will be University of North Texas and Texas A&M University.

The new biennium budget includes $40 million for training teachers to develop better mathematics teaching skills and to provide intensive remediation; an additional $100 million has been appropriated for reading improvement. Third graders will have to pass a new state reading test to advance to the fourth grade beginning in 2003, as originally passed in the 1999 legislation.
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The legislature passed a K-12 appropriations bill of $1.7 billion representing a 5% increase for next year. It includes a special one year allocation of $24 million for textbook purchases and $5 million for teacher reimbursement for “out-of-pocket” purchases of instruction materials and supplies, or about $225 per teacher at the K-6 level. The Governor also signed into law a bill which expands the number of authorized charter schools and authorizes district boards of education to sponsor independent public schools.

The Governor has proposed the Utah College of Applied Technology Education which would become the tenth state college and would have the responsibility for overseeing existing applied technology centers in the state. Currently governance for these technology centers under the State Board of Education. Even though the proposed Utah College of Applied Technology represented a negotiated compromise between K-12 and postsecondary officials, an article in Education Daily, June 20, strongly suggests that many of the issues related to rural vs. urban governance will have to be worked out.
Henrico County Public Schools will lease 23,000 laptop Apple computers for all middle and high school students and teachers for a cost of $18.5 million. In September third through twelfth grade students will receive the 2001 version of Apple’s I Book. Options will be provided to purchase these computers after the lease in up. Apple will also provide a special after-hours help line. Most of the online curriculum will be “Beyond Books” from New Forum Publishers. Parents will be paying $50 a year for insurance against theft or loss.

As the result of a deadlock between the Governor and the legislature, both of which are republican, teachers will not get planned salary increases during the second year of the biennium budget. Overall state funding per pupil will decline approximately $7. While no legislative action was taken, the SOL assessment criteria to be used to determine accreditation, was hotly debated. However, the Senate did ask the State Board of Education to come up with new criteria. As it stands now, students scheduled in graduate in 2004 must pass 6 out of 12 SOL tests in order to earn a diploma and 70% of students must pass the SOL test by 2007 to receive accreditation for an individual school.

The state recently passed legislation to rename vocational education as career and technical education similar to the change that occurred for the national Vocational Education Association which is now a National Career and Technical Education Association. State funds for education technology can now also be used in career and technical programs. The state Board of Education has approved a plan to allow vocational education students to pass an industry certification program or state license exam to be designated as credit toward state’s diploma degree.

The Gates Foundation has provided the Virginia Department of Education a $3.5 million grant which will be matched dollar by dollar thus totaling $7.2 million over the next three years to be used to provide administrators necessary hardware and onsite training.
The K-12 budget for next school year will be slightly over $5 billion, up 5%. Districts may use much of the increase for reducing class size and extended learning programs; $210 million, which needs to be matched by districts, can be used for school construction over the two years. The concern is that with a slowing down economy, the $186 million for next year under initiative 732 may not be enough to meet the stipulations regarding teacher salary increases which could reduce the remaining amount for extended learning programs and other programs.

The Gates Foundation has provided $2.2 million in new grants to 14 Washington school districts to demonstrate how technology can be used to increase student achievement. This is the second round of high achievement model school grants. To be eligible schools must have 600 students use research based techniques, have at least two teachers who are trained in using technology for instruction, and must provide a match for at least 20% of the grants. Over 100 schools are scheduled to receive grants over the next three years.
Governor Geringer signed a bill passed by the legislature which would require districts to diagnose 1\textsuperscript{st} and 2\textsuperscript{nd} grade students and provide extra help to those with learning problems who would be provided individualized plans. Districts would have to report student progress with the goal that at least 85\% of students become proficient in reading. Districts not meeting the 85\% rule will have to develop and report on alternatives they plan to take. The legislature appropriated almost $3.5 million for districts based upon ADA in K-2. Teachers will receive a 9\% increase in salary. The K-12 budget for next year will increase almost $125 million to $815 million. Slightly over $4 million was appropriated for teacher training related to technology integration, while $17 million was allocated for building maintenance which could include wiring and cabling.

Following models in other states, a Wyoming House Bill provides graduation options for special education students who meet the requirements of their IEP but fail State assessment tests. In a general sense, this Bill, if enacted, would provide greater flexibility to districts to determine what type of a certificate a student can graduate with.

By the year 2005 students must master math, language arts, science, and social studies to receive a high school diploma. Standards for additional course offerings are to be in place by June.