

THE BROOKINGS INSTITUTION

SCHOOL CHOICE: DOING IT THE RIGHT WAY

MAKES A DIFFERENCE:

Report of the First National Commission on

Choice in K-12 Education

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REPORT PRESENTATION

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QUESTION & ANSWER SESSION

**THIS IS AN UNCORRECTED TRANSCRIPT.**

PROCEEDINGS

MR. LOVELESS: I welcome you to the Brown Center on Education Policy and to the Brookings Institution.

This morning, we have a presentation on school choice. This is from a National Commission on School Choice that has been meeting for the last three years--two years--and a number of the members of the Commission are here, and this morning we're going to release the report of our deliberations.

To do that, the chair of our Commission will be presenting the report, Paul Hill, who is a nonresident senior fellow in economic studies here at Brookings. He's also the director of the Center on Reinventing Public Education and research professor of Public Affairs at the University of Washington in Seattle.

So, with that, let me introduce Paul Hill.

MR. HILL: Thank you, Tom.

I think the fact that Tom thought it was three years indicates that it was a tough time.

This report that we're bringing out today is the result of two years' work by a National Working Commission on Public School Choice that was funded by the Bill and Melinda Gates Foundation and the Annie E. Casey Foundation.

And the motives of the funders and of the members of the Commission were to try to move the debate about choice off the extremes, where some people claim that choice will surely do good, and some people claim that choice will surely do bad, and into the zone where constructive discussion can take place about what is it about the

design and operation of choice programs that might have good effects and what has to be done to make sure it doesn't have bad effects.

This was a good time to take a look at choice. There's a great deal of new research in the last 10 years, and though you've heard the headlines about it, where people are still contending over whether choice helped this child or did good in that area, beneath those generalizations, there's a lot of information about how choice works and when it doesn't work, and we've used that quite well I think.

The second point that makes this timely is evolution of law and policy. Certainly the Zelman case on the Supreme Court made choice a more live issue and opened up new possibilities of how it could be done, and No Child Left Behind, along with state standards-based reform laws, in many cases, required districts to create options for parents, especially parents in low-performing schools.

The point is that we, and the funders, thought that choice is here, like it or not. I live in a city, Seattle, that may be extreme in this respect, but I don't think so. In the last 30 years, the school population of the central city district has declined from 109,000 to 47,000. It has become one of the few cities in the country with the fastest-growing and largest private school sector, and now every child in Seattle is in a school chosen by the parents, whether it was the first choice or the tenth choice, nevertheless it's impossible to go to school in Seattle without choosing.

And that is probably an extreme case, but it's happening in a lot of places, with the growth of charter schools, with the growth of district-run choices and the like. And because of that, because of all of these things, we think that communities, especially big-city communities, face a crossroads whether to let choice happen willy-

nilly or to be thoughtful about it to make sure that we get the best out of it. And it was on that focus that the Commission got to work.

This is a list of the Commission members. It's a group of people from many disciplines, including some practitioners, and I put the members of the Commission in three categories, though I won't label the individuals for you, but we had choice hopefuls, we had choice pessimists, and we had pure analysts that were just interested in the problem.

But what was in common among us was that we all thought there was a lot more to be learned about choice and a lot more to be said that would be useful to communities, so that we were not in an ideological wrangle. We were actually in an inquiry.

In the audience today are some of the members of the Choice Commission: Charles Venegoni and David Ferraro, Patrick Wolf, and Rick Hess, Tom Loveless, even though he thought it was longer than it was, and Paul DiPerna from Brookings helped us a lot throughout.

Did I miss anyone? Some of you may have been Choice Committee members, and I didn't know it, but I don't think so.

So this group worked for two years, and we didn't conduct any new data collection, but we did deep examination of the evidence on all kinds of issues on choice that we will produce later--two pretty major Brookings' books that come out of our deliberations. This report distills them.

Just before I go further, I want to make sure you know how we define choice. We're talking about choice that's publicly funded, and we think choice is any arrangement that lets parents have options among publicly funded schools, and there are

many forms of choice that are defined by who gets to choose, whether only poor parents or all parents, who gets to provide, whether only the district or only schools with district permission or schools that run independently and under what rules--whether some rules about admissions and the like or none at all.

And we opened the conversation about choice with all of these options, and I do want to make a strong point here. Vouchers are a mechanism for providing choice, and there are different forms of vouchers, including the Milton Friedman kind that is virtually unregulated. We don't equate choice with vouchers. Vouchers is a form of choice; choice is not a form of vouchers.

So I want to give you the bottom lines we drew. There were three.

First, if you look closely at the research, it doesn't support either the great fears that choice would leave a catastrophe in public education nor does it support the confidence that some people have that it would revolutionize public education all by itself;

Second, choice is very complicated. It has to be done. It has to be worked through thoughtfully. It is a subject of serious work on implementation, not just something that takes care of itself; and,

Third, that choice can become a major element of public education. It can enhance it, especially in communities that take it seriously and work through the issues of design that we will talk about in the next few minutes.

So the Commission worked in three stages: First, we tried to identify the hopes and fears that Americans had about choice, and we made them the object of our study. We asked how would those things come about if they were hopes, and how would they prevent it if there were fears?

And then we asked what's known now? And of course we looked at prominent American literature that's developing on choice experiments, on charter schools, on magnet schools, on alternatives.

We also looked at choice in other countries.

We also looked at choice in other sectors of public life, not just education.

And through that we were able to identify some key factors of design and investment, things that people can actually control that affect the key outcomes of choice. So, in the next part of the talk, I'll be focusing first on the greatest hopes, and then what we think is known now, and finally what are the key investments and policies?

Here are the things that we use as our guiding lights, the things that Americans hope for about choice:

Some people hope that choice will improve the learning of students who choose, and that there will be good new schools emerge that children who now have few options might be able to get into, and in fact that competition might improve public schools.

But there are a lot of people that have fears about choice; that choice will lead to increased segregation, as people sort themselves by different kinds of preferences, that as competition drains students away from certain public schools, that those public schools will plummet in quality, thereby hurting the kids that are in them. And some people fear that as groups with more diverse agendas get to run public schools, that there will be more civic disunity, people from quite different value systems that will clash more.

Now, of course, this doesn't tell the whole story. There are other hopes and fears, and I could say that not only do the opponents fear some things about choice, they think that the outcomes of the people who have the hopes hope for won't happen, but these are the outcomes that we focused on. And what we did was try to figure out how would choice lead to these outcomes or how could it be prevented from leading to these outcomes?

Now, we largely looked at literature, as I said, and you'll have the opportunity to read some very big books that come out of this work, but here's just a quick summary of what we concluded after looking at what is the evidence about choice and its connection to the key outcomes we talked about.

First, on improved student learning. Well, it turns out that it depends. There's a lot of contention from the New York and other voucher experiments about exactly who benefited, but under those efforts to generalize, it's clear that some schools and some students did much better than others.

Also, in the charter analysis, it's clear that some charter schools have much higher performance than others and benefit students much more than others. So the point is it depends on who the students are and what the schools are, among other things.

Second, on better schools. First, do good schools emerge when choices become available? Well, it depends on whether there's enough money to pay for good schools, it depends on whether the regulations for new schools coming on are really tight or not, and similarly for whether public schools improved. It depends on whether they get a chance to improve or whether the district disinvests in them when they become objects of competition.

Segregation. Well, it depends a lot on the baseline. There are some districts where choice couldn't possibly make for any more segregation because the districts are virtually all minority, but there are other districts that segregation, choice could lead to greater regulation, but we find in looking at charter schools, for example, that a lot depends on the rules, that states in which charter schools have an incentive to serve diverse populations, they do; states in which charter schools have no such incentive, they lead to greater segregation

Same about effects on children in public schools. Sometimes children get worse off, and sometimes they get better off. The latest results from Edgewood, Texas, indicate that students in the public school system are doing much better now after the choice program was introduced. That doesn't mean it will always happen; it means it depends.

And, finally, on civic unity, it clearly depends on what the school does. People are afraid that choice can lead to civic disunity, and I think this is a serious issue. On the other hand, one strong bit of evidence is that one class of schools in our country that lead to the best outcomes, in terms of students' belief in tolerance, civic participation and the like are parochial schools. And that doesn't mean that they will always work best, but the point is choice, opening up opportunities for schools other than those run by the school district, doesn't necessarily lead to any outcome in particular about civic unity.

In fact, if there's any one big point that we ran across time and time again, as we looked at the connection between choice and certain outcomes, is there's nothing hard-wired about the connection between choice and any outcome. In fact, what



happens depends not only on choice, but on the circumstances under which it's introduced and in the way in which it's introduced.

Just to make that point a little more clearly, on the question of does choice lead to achievement gains for students whose parents choose, as we thought through this, it became clear there were a lot of "ifs" in between choice and this outcome. For example, one way to think of it is, for a child whose parents choose to learn more, well, first, the parents have to know their choices;

Second, there have to be options available;

Third, the parents have to know enough about the options to choose one that fits the child;

The child has to get into the school the parents choose;

The school the parents choose has to perform as promised, and the child has to work.

All of those things stand in between choice and the outcome, and you can see why we make the point that there is no hard-wiring here, that it all depends.

So now I want to turn to what are the factors that we saw that make a big difference in the link between choice and outcomes? And this is just a framework, but along the top, it has all but one of the outcomes that we tried to examine how choice would lead to. The one we left off for the moment is civic cohesion.

And then on the rows are factors that came up over and over again as part of the chain of cause-and-effect between choice and outcomes. For example, funding. How much money goes to a school of choice when the child chooses it?

Targeting. Does everybody in a locality get to choose or is it focused on the poor?

Parent information. Do parents know there's choice? Do parents have information that is complete and nuanced enough so that they not only can tell what school has the highest average achievement, but also what school does well for children like mine.

Admissions. Rules about either letting schools hand pick the students they want or determining or creating some kind of fair admissions process where students are admitted by lottery or some other way.

Transportation. Can students get to the schools that their parents want to get them to?

And provider flexibility, meaning can schools, both new schools or school options, operate freely enough to innovate and create distinctive approaches that attract parents? And, similarly, can public schools adapt what they do to compete effectively?

I'm going to unpack two of these, and the report tells the rest of the story. I want to tell about two of the factors and how they work; one is funding, and the other is provider flexibility. I can tell you about the others as well, but the report tells the story better.

On the question of funding, it really matters whether, when a child leaves a public school and goes to some other school, that he takes a substantial amount of money with him or her. And we're not saying exactly what that amount of money is, but one standard is the local public per-pupil expenditure. If a child takes substantially less than that, there are some bad outcomes. If a child takes substantial funding, roughly, the local public per pupil expenditure, it's much more likely that quality school providers,

organizations that know what they're doing and know what it costs to do education well will actually offer schools. It's likely more options will arise and that schools will be more willing to accept some students who may be challenging to educate.

On the other hand, if funding is very incomplete, as, for example, in an earlier California statewide voucher initiative, the proposal was to provide \$2,000 per student in a state that was paying over \$6,000 in public education. It's likely that, with incomplete funding, supply response is weak, many of the providers that come out will be either providers that don't know what they're doing or are cause groups that are willing to subsidize education.

Certainly, districts or schools that would get very little funding from choice have to worry about whether they can select parents who can pay extra so they can survive, and it's likely that schools that get very little money will be reluctant to accept challenging students.

One of the ironies here is that the politics of choice that has led both pro- and anti-choice people to accept choice plans, voucher plans, and charter plans that give relatively money to schools actually helped to create some of the outcomes that people fear.

It also matters whether school providers have the freedom to create good schools. A lot of flexibility, meaning that schools can decide how to staff, how to use staff, how to use money, how to use time, how to adapt curriculum to students' needs, this is likely to lead to more school providers, schools that are trying to experiment with productive rules for teachers and productive mixes of teachers and technology, likely to produce providers that are willing to take on tough challenges, knowing that they can adapt what they do to the needs of their students, and for public schools, it makes it more

likely, if the public schools themselves have flexibility about how they use time, and money, and teachers, it makes it much more likely that public schools can adapt to competition and therefore improve in response to it.

But provider inflexibility, that is, telling providers there are not many things you can do that are different from what's now mandated in public education, certainly makes innovation adaptation difficult, and it really, within public education, inflexibility makes it very difficult for public schools that come under competition from choice to adapt well. I want to dwell on that for a minute.

One of the surprises to me, in the Commission report, and I think to many of the other commissioners was that it's very difficult to design a choice program in itself to avoid the possible harm to students left behind in public schools, and the reason is because the harm to those students is done inside public education by the way public school systems allocate money, and time, and regulate schools.

What often happens is when schools come under competition, either because parents are moving away or by choice, the most advantaged teachers leave the schools, the money leaves the schools, and they enter a downward spiral.

To stop that, public schools have to have flexibility so that they, too, can adapt to competition. The point here is that many people have thought of choice as being something that cut the Gordian Knot, that said, public education is difficult to change so we'll move away from it. In fact, this point says, if you're concerned about harm to children left behind in public education, it too has to change toward more provider flexibility.

I did want to say a word about positive civic attitudes. This is something that the Commission I think took very seriously. It's also very difficult to study. It's clear, one thing, that effective schooling is a major step toward the civic attitudes we care about. You don't get children who have positive civic attitudes, are tolerant, believe in the first amendment, believe in democracy, who happen not to be able to read and write.

So, in some ways, a lot of the other goals of choice are consistent with this, but still there is enough uncertainty about what leads to positive civic attitudes and participation that communities might very well, as they're implementing choice, want to make some requirements about civics courses and make sure that schools admit students that are diverse and also to prevent simply by closing schools or penalizing when people indulge in hate-based teaching, and I'm willing to talk more about that in a minute.

Basically, if I can summarize what we've found about the links between choice and outcomes, it's here. The fundamental options that communities face are how fully to fund schools of choice, fund them with relatively little, much, much less than is now spent on schools and students in public schools or, relatively generously, about the same as now spent in public schools, and the other issue is do we want to regulate schools very heavily on many things, lots of prescription, or very lightly, maybe on a few things that really matter?

And what this quadrant system is supposed to indicate is there is a place where choice really makes big sense and where it doesn't:

On the upper left quadrant, high funding and heavy regulation, it's very unlikely you'd get much of a supply response. You've pretty much got the situation that exists now in public schools.

On the lower half, low funding, very unlikely to have a big supply response, not much payoff. So the real payoff comes in the intersection of relatively high funding and relatively light regulation.

Now, I'm not trying to suggest that the ultimate of high funding and high regulation is going to be the best choice for every community. There's probably a sweet spot somewhere around where the words are in that upper right-hand quadrant, but communities need to think about issues like do we want to regulate on admissions to make sure that schools don't hand pick? That's probably a good candidate for regulation.

Do we want to do prior oversight on the missions and instructional approaches of schools to make sure we don't have separatist or hate groups running schools, so use chartering? That probably makes sense.

But, on the other hand, prescribing who a school hires so that the school has no authority over its staff, prescribing use of time and the like, these are probably prescriptions that make choice not work very well for anyone.

Even though we did this as a national study, and we're bringing it out in the national capital, we think that the information in this report is most relevant to communities and to states that are struggling with the question of how to integrate choice into a broader effort to improve public education.

And so we tried to put together some lessons from this research about what do localities, what do states and the like need to think about if they want to do choice right.

And on localities, very important to move toward choice; to start funding students on a per-pupil basis and allocating money that way; to create some kind of admissions oversight capacity so that if the locality decides, which most will, that they

want to guarantee fair admissions, that there is a capacity to do that; serious parent outreach, not just about choice and not just about school averages, but nuanced information so that parents can tell whether a student will work for their child; and comparable reports on all publicly funded schools, whether district run or not; and, finally, some kind of a mechanism to intervene in cases of discrimination.

Similar comments for the states. Very important for states, if they're serious about choice, to move toward funding children, not discrete programs, not line items that make it impossible, for example, for a district to move money from transportation to instruction when they know that's what they need, similarly, on funding students on a per-pupil basis; and other points, most importantly here, on provider flexibility, making it possible for schools to choose their own staff, make it possible to innovate on use of time and instructional messages.

There are a few messages for the feds, most of it is to provide research and oversight and help people share lessons--probably an important function to allow federal categorical funds to follow children, instead of be not connected to children.

And in all of this, it's clear that there are capacities, especially at the local and state level, that really don't exist now. And you and I can argue about whether districts should have been doing some of these things all along, for example, on public information, but the truth is that a lot of localities haven't built the capacities that they need today to run a really good choice program, not that they shouldn't start, but there are major contributions that foundations can make, both locally and nationally, and here they are:

We don't think that it's likely that parent outreach and information will be as good in the beginning of a choice program as it needs to be without some investment by foundations;

Certainly, to design a fair admissions system is important;

Venture capital for new schools, which in fact is a more and more common philanthropic function already;

And I think the fourth bullet is really important--helping school teachers and leaders learn how to operate under conditions where they are in control of money, and where they are in control of their own programs, and where they have to build loyal parent bodies. This is not something beyond human capacity. Private school people do it all of the time, but in public education, most leaders haven't been taught to do this, and there's probably a really important training function that foundations can perform.

I do want to say that in talking about all of these, that we're not counseling that localities wait until they attain a state of perfection before they try choice. It's too late for that. Choice is already happening.

A community that says we won't think about choice until all kinds of other people do things; for example, the feds change the way they operate, the foundations change the way they operate. A community that says we won't move until everything else is set up for us will never move, and choice will happen to them willy nilly. And so communities need to get started on this if they think choice is an important factor for their own children.

But our bottom lines, our final points are these:



That choice is not mysterious and its workings are not inevitable, in some ways. It all depends on how it's done, especially on controllable factors like policies and investments;

Secondly, it's challenging to do it right. It takes attention. Nobody's going to get it right the first time, but that it is a possible challenge for communities to use choice as a way to enhance public education;

And, finally, that there are roles that states, and the federal government, and especially foundations can play if they want to enhance public education via choice.

Thank you. I have a couple of comments about our follow-ons, but I'll be glad to wait for those in return for questions. I'm going to leave these bottom lines up, and I'll take any questions from anyone.

[No response.]

MR. HILL: Well, it was a totally compelling case, and nobody has anything to say.

[Laughter.]

MR. HILL: Yes, Peggy?

QUESTION: Thank you. To get back to the point you made about the inflexibility of public schools being able to respond, have you seen any indications where people are using choice schools as true pilots of innovation to challenge existing regulations, to shift the burden of proof to we know certain things work so let's get rid of some of the regulations to allow all of our schools to act innovatively so that there is a transfer back from the pilot to the big system, as opposed to just a release valve for kids who want to be in other settings?

MR. HILL: I have known of localities that started programs with that rhetoric, everywhere from Cincinnati that built a pilot district to New York, under Fernandez, when they started the New Vision Schools, and this was not only an effort to create new options, but an effort to, in a sense, reemission the district, but I haven't seen it working.

Basically, these districts have a way of externalizing new options and treating them as something irrelevant to their normal practice, and so it started the way you suggest. But there's some good news I think, that as I suggested before, there are some districts that have seen themselves challenged by choice and have changed the way they did business.

And we can talk a lot about Milwaukee, but in fact Milwaukee public schools operate very differently today than they did before because they want their schools to be in a position to compete. And I just read this the other day, but apparently the Edgewood schools, on the outside of San Antonio--it's Edgewood, right?--that district, its schools have improved considerably because they did a lot of new investment, and a lot of new flexibility and efforts to put the right people in leadership positions in schools that were under pressure.

So, even though your excellent reasoning I don't think has ever been lived all of the way through, nevertheless, you see districts doing smart things.

Yes, Bruce?

QUESTION: Thank you very much.

I was, frankly, surprised--maybe I shouldn't have been--that you excluded from your study vouchers, if I understood you correctly.

MR. HILL: I didn't mean to say that. We just didn't want to equate choice with vouchers. Vouchers is a form of choice.

QUESTION: All right. So they are included in your--

MR. HILL: Right.

QUESTION: Then, a second related point, when you speak of flexibility for existing schools or flexibility more generally, implicitly I hear teachers unions, among other things. You didn't explicitly mention them in your comments. How did you deal with them?

And relatedly--or not related. One last one, if I can steal the microphone. On this particular quadrant graph, I would have questioned the use of the dimension "regulation/nonregulation" or "light/heavy" regulation. It seems to me that the issue is, if you're going to diminish regulation, you've got to increase targeting, that is to say, goals and accountability. It's not a question alone of more or less regulation; it's what takes its place.

MR. HILL: Let me stay on this chart because part of your question addresses it. I would say that the Milton Friedman form of vouchers is at the very upper right-hand corner, and that certainly isn't the space we talked about.

Some people still talk about that as an option, but in fact most people don't understand that Chubb and Moe, for example, described a regulated voucher system, a system where communities had some kind of prior oversight about license to run schools, and therefore could exclude hate groups and the like, and also some information obligations, and some regulation on fair admissions.

And so the point here is there are some things that communities would probably want to consider about aspects of a light regulatory scheme, but you're right that this doesn't tell you what part, and we are trying to create options for communities, not to prescribe for them.

It's clear, however, when you start--and now I'm transitioning to your next question--it's clear that when you start putting regulatory and other constraints on schools such that they can't operate flexibly and they can't innovate, so that, for example, schools aren't able to hire teachers on the basis of fit, but they're actually assigned on the basis of seniority or schools aren't able to assign leadership functions between nominal principals and nominal teachers, so that maybe both sides do a little of everything because of barriers in civil service requirements, that these kinds of requirements that I would fit on the left side of that chart start to make it impossible for choice schools to innovate and to adapt to the students' needs.

On the question of unions, we have a habit of talking about unions, which are only one party to collective bargaining agreements, which are in fact public policy. And the public policies that school districts have adopted that take from schools the ability to hire teachers, that require schools to assign teachers only to certain tasks and endeavor to assign them to others, and even, in some cases, provisions that let senior teachers cluster in certain schools and leave the low-income schools with a junior staff that turn over quickly, these, I prefer to think of them as public policies that are made by two parties. One of them is the school district.

Frankly, I think the unions, at least in New York, and Seattle and some other places, and certainly if you read Union Leader Adam Urbansky's writing, they've understood the effects of these policies on school flexibility within public education.

And, incidentally, anybody that wonders whether this is true should read Adam Urbansky's work that's all on the topic of "make public schools more like private." And his point is he wants to take away the constraints of public policy and union contract that make it impossible for schools to be flexible and to have the staff that fits their current needs.

QUESTION: I really congratulate you and the Commission on your effort to bring a reasonable voice into this very difficult issue. So congratulations.

MR. HILL: Thank you.

QUESTION: And also congratulations on your article in the Washington Post several months ago that I think drew a lot of people's attention to your work.

My question is more about what you mean by choice. It seems to me that it really is a definition of a process by which people attend schools, but it doesn't really define the schools themselves. Could you expand on your working definition of choice.

MR. HILL: I'll try. Basically, let me tell you some things we excluded that most people would think should be included. We excluded from this particular conversation forms of choice that are really not subject much to public policy, whether people move across district lines, whether people decide to pay for private schools. We recognize this is choice, but we were talking about what communities, as a matter of public policy, can do about choice.

So we're focusing on schools that receive public funds to educate children, and we're saying choice is defined by mechanisms that create more options for parents among those schools, and then it's also defined by what schools are available to be chosen.

So we think that that encompasses everything from within district choice to magnet schools, to charter schools which are approved by districts, to limited voucher programs that may be focused on poor children and available only for certain schools to use and unlimited voucher programs.

So, on that kind of very "processy" definition, we don't define a school as saying a school that does X, Y, Z, that is, it does this kind of instruction, hires this kind of teachers, admits this kind of kids, that that is a school of choice, as distinct from other schools. In fact, in terms of practice, in terms of staffing, in terms of student composition, schools of choice might overlap completely with public schools that are run without choice.

Yes?

QUESTION: The choice that you're referring to is the choice that parents and students have, not the providers of schools or administrators of schools. Do you get what I'm driving at?

MR. HILL: I mean to say that it's both kinds. Obviously, we found this out already in No Child Left Behind, that you can tell families they have choices, but if there are no schools for them to choose, they don't have any choices. So you don't really have a choice system or a choice program unless there is some mechanism for creating options, and that comes down to who can provide and under what terms. So we do think choice is a two-sided definition.

Yes?

QUESTION: Two things, and I think you kind of got into this in your last response. But there's been a lot of recent proposals over the past several years for tax credits as a means of funding choice. I wonder if you could speak briefly to that, and

would that be kind of at the far end of one of your continuums from assigned schools to unregulated vouchers?

And a second thing is relating to school finance. If you got into a choice program, perhaps with per-pupil funding, a voucher type of program, wouldn't this depend a lot on the organization of school districts and so forth and whether that funding is locally derived or state funding; an example like Chicago or Cleveland suburbs, where you may have one amount in the central city, and each suburban district has disparate funding levels available to students and how that would work?

MR. HILL: Right. There are some states that pay all of the bills of the schools from, say, Sacramento, and so it's easy that the money follows the child in real dollars to the school. That's possible by state action alone. In other localities, in other places, that locality may pay half of its funding, pay half the price of schooling from local sources.

A choice program that has the attributes we talked about, including generous funding for schools of students of choice, would certainly have to sweep up both sources of revenue, and so, in large part, we think it has to be, then, a community choice to decide, yes, we will provide money that follows children, whether it comes from the state or whether it comes from our own local property tax revenue.

Communities could make a different choice to say we'll accept a choice program where only the state money follows children, but there are consequences to that choice, that is, less money will go with the child to a school of choice than is available elsewhere; there won't be a level playing field. You won't get the same kind of supplier response. It doesn't mean it's a bad idea, necessarily, but you know there are consequences of not fully funding the choice.

That, in some ways, that's our point is that we want people to understand that there are options here and how you go has real consequences.

Now, I answered the last half of your question, but not the first. Do you want to repeat the first half.

QUESTION: Just about proposals for tax credits.

MR. HILL: Right. We had a lot of conversation about that, and I'm not prepared to give you a particularly good answer on tax credits. Of course, the problem is that it's very hard to regulate how they're used, and there's a real concern that unless tax credits are put in some kind of pool and made available to all students, that they may end up with discriminatory effect, that they may end up going for children that might otherwise be in private school.

I think it's a big issue, and I think we probably could do another study on it. We certainly didn't contemplate that as one of our forms of choice. We were thinking about more overt community decisions to allocate the money available to educate children in such a way as some students can take money to schools of choice.

Yes?

QUESTION: When you speak about diversity in all of these schools, are you saying that then a charter school cannot start up, as, say, like the Levine School of Music or geared towards science? Do you feel that's not diverse?

I just had heard that in some charter schools, the curriculum doesn't cover as much as it does in the public schools. They may not have a good physical education program, but a superb music program. Could you speak to those things?

MR. HILL: Well, two things. We took on the important public issue of whether choice leads to segregation, and we drew the conclusion that there are policies



and investments that can make segregation less likely, but we also understood that one of the arguments about the link between choice and student achievement is that schools could become more focused and targeted, that parents could know what they were choosing, and a school would provide a coherent instructional program for a particular purpose, and that could include a Montessori School or a school for children who are particularly motivated by the arts or lots of other things.

And there certainly is a potential tradeoff here between letting schools differ in their approach, understanding that might have some consequences about different student bodies, and yet having the general principle that we're trying to create fair and open admissions so that students have a good chance of attending any school their parent chooses.

We don't mean to say, in fact, the report is very clear about that--you have to tell communities there are tradeoffs here. If you don't let schools become distinctive, you'll get a lot less out of choice in terms of student achievement than you will otherwise. If you don't take some care about admissions, you might end up with more segregation than you wanted.

There is room between those two principles for a decision in a community that we are going to have some schools for some purposes. It already, of course, in public education, in my city, we have a public school run by the district for African-American females. We have a public school run for children of American-Indian heritage. And what's interesting about that is that no one complains that that's an illegitimate public process or even that it makes segregation worse. It has a different purpose.

But the point here is that these kinds of schools are commissioned for a known purpose, and it's a public-interest purpose, and so it's possible still to have a desegregation motive and have schools like that. But there are tradeoffs that you have to think about.

Yes, way in the back.

QUESTION: I applaud the Commission for addressing this issue of segregation, although I wish you, instead of saying "avoiding segregation," you thought more affirmatively about encouraging integration, which would be a little bit more aggressive.

Did you all look at the control choice models, using Cambridge and elsewhere, to actively encourage integration?

MR. HILL: We did, and clearly there are policies about admissions that can encourage integration, and there are also policies, for example, in charter schools in some states that encourage charter schools to admit disadvantaged students or to create a diverse population.

I'll tell you why we didn't go the next step. We said avoid greater segregation, rather than desegregate, which is certainly a goal that a community might choose, but in the dialogue about choice, many people say it will certainly lead to segregation, but in fact you have to ask what's the baseline? How segregated are we now?

And we thought it was not appropriate to add another burden on top of the choice analysis to say you need to do better than the public schools do. A community might well decide they want something better than what they've got, let's say, with respect to segregation, but that's a choice they should make.

I think we've tapped out this profound topic. I much appreciate your coming. I have to say that the Commission members here, who get only the smallest amount of credit, did all of the work, and I much appreciate them.

Thank you.

[Applause.]

[Whereupon, the proceedings were adjourned.]