



Minnesota Journal

Inside This Issue

A publication of the Citizens League

Agenda for better state-local relations. — Page 2.

State's education pluses, challenges. — Page 2.

Another Y2K problem faces schools. — Page 8.

Volume 16, Number 1
January 19, 1999

Kelso lauds focus on K-12 achievement

Former state Rep. Becky Kelso (DFL-Shakopee), a leader on education policy issues, believes Minnesota has made progress in K-12 education in recent years, but still has much to do to improve student achievement.

Kelso was defeated in November, cutting short her legislative career after six terms in the House. Much of her focus as a public official has been on education. She was a member of the Shakopee school board for six years prior to her election to the Legislature in 1986 and was most recently chair of the House K-12 Education Finance Division.

by Dana Schroeder

Focus on achievement

She said in a recent interview that the development of "a very real focus on student achievement" throughout the education system is the number one K-12 accomplishment during her years in office. As a school board member and during her early years in the Legislature, she said, "The focus of the entire system was on money management and on equity issues among school districts and among students."

"Now the discussion is focused on student achievement and how to get kids to pass the basic skills tests

and meet the graduation rule," she said. The system is moving resources to meet students' needs, she said. "We don't deal with a problem until we identify it. Statewide testing provided a jolt this state needed."

"Now we'll know what districts, what schools and even what classrooms are succeeding," she said. "It's a fearsome thing to the system. There's been a huge change since the first wave of eighth-grade tests."

"Minnesota is among the best in the country for college-bound

Continued on page 6

Teachers need better preparation

by Deb Hare and Joe Nathan

Many new teachers know their subject matter well, but don't know how to teach it. That's just one important observation made by the over 1,100 public school administrators and parent/community advocates who responded to a recent survey on Minnesota teacher preparation. The survey and a report summarizing the results were completed by the Center for School Change at the University of Minnesota's Humphrey Institute in response to questions asked by the 1998 Minnesota Legislature about the quality of teacher preparation.

This is an especially important issue, because thousands of Minnesota teachers will be retiring in the next decade. Minnesota teacher preparation programs play a key role in the quality of Minnesota's education system, since those programs train the vast majority of new Minnesota teachers. Most principals reported that 70 percent or more of their recent hires graduated from Minnesota preparation programs.

Every Minnesota public school principal and superintendent, along with selected parent/com-

Continued on page 5

Continued on page 4

Proposed desegregation rule is flawed

by Gary L. Cunningham, Barbara Bearman and Matthew Little

In reviewing the proposed new draft of the state desegregation rule, we are disheartened that the Department of Children, Families and Learning could develop a document that turns its back on the mountain of research data and history that has led us to this critical moment. Public education, particularly in urban settings throughout the country, is on trial. Our public education systems in Minneapolis and Saint Paul are a mirror image of the crisis in urban education and its failure to produce a quality education for all students.

Both Minneapolis and Saint Paul do an adequate job in educating European American students; however, neither district, like many others across the country, receives high marks for educating students of color. This repeated pattern of failed education policy is, in part, due to a lack of firm and unequivocal support for the proposition that "separate educational facilities are inherently unequal" by the political leadership, both nationally and locally.

The history of desegregation in

Minneapolis is a long and winding road, beginning with the *Brown v. Board of Education* decision of 1954. In *Booker vs. Special School District No. 1* (1972), the court found that educational segregation was a result of both racial segregation and specific school board policies, including locations of schools, attendance zones, enrollment and teacher assignments. The Minneapolis Public School District was not exempt from specific court orders to desegregate its students and faculty as a remedy to address

A 21st century agenda for better state-local relations

Minnesota has undertaken many efforts in past decades to look at the way our state and region is governed. In December, groups ranging from chambers of commerce to county and city governments met to explore the issue of unfunded mandates—the practice of one level of government requiring another level to perform an action without offering appropriate funding for it. The discussion spotlighted the sometimes strained relationship among different levels of government.

In our region, we have among the highest numbers of government units per capita in the developed world. By the same token, things tend to work fairly well and there is no cry for major consolidation. Earlier efforts in the 1990s to force consolidations did not leave the launch pad. Most structural reforms that go to referenda fail.

We have had our share of false starts: Many state-local advisory groups established by governors and the Legislature have fallen on the rocks or quickly faded to irrelevancy. Despite that, shared service agreements among local units and competitive bidding of services are adding to the efficiency of local governments.

Even though the state and the metropolitan region are in very good shape by historical standards, it is time to tidy up state and local relationships—including taking a look at unfunded mandates. Why? The drama of the world economy is being played out with metropolitan regions as the major units of competition. Those regions that provide a good workforce, infrastructure and quality of life are likely to suc-

ceed, while those that cannot appear to be on a much less favorable track. We should work to improve state-local relationships in this context. Here's a working list as we head into the next millennium:

Sort out who does what. Several years back the Legislature dictated which local government cars employees may take home. This is hardly the level of trust and partnership the state and a multi-billion dollar local government sector need. We've done some sorting out in the courts and in welfare but other areas remain. The Legislature should make identifying those additional areas a priority.

Fully fund state mandates. The Legislature should fully fund state mandates, particularly for big-ticket items, such as human services—from probation to protecting seniors to mental-health services. If the state is to be a 50/50 partner, it must be a reliable fiscal partner over the long haul. The state should not pass laws where the burden falls on local taxpayers. As one small example, not many years ago the Legislature passed a law mandating 30-day jail time for second-time DUI offenders without a nickel of financial support. What about placing children out of home? What about fully funding probation services, so those returning to the community from jail and prisons succeed and the public is protected?

Improve tax accountability. Currently the maze of funding streams

is so complex that citizens don't know whom to hold accountable. We need to clarify accountability in the property-tax system. The Citizens League proposal of an ABC system clearly lays out for taxpayers which services and expenses are state-mandated and state-paid, which are purely a matter of local discretion and which are shared responsibilities. Adoption of this system will make it easier for citizens to understand a very complex system and to hold the appropriate decision-makers accountable for spending and results.

Target financial aid to local governments. We have what might charitably be called a dimly focused, decades-old system of state aids to local governments. According to the decade-old Ladd report to the Legislature, we can achieve roughly the same amount of equalization at the local level with about half the money—freeing up several hundred million dollars. We need to revise our grandfathered funding formula along the lines recommended in the report, so the aid fills the gap between need and the capacity to provide a basic basket of local services. Much of the groundwork for this task has been done; it's waiting for a push forward.

Set aid at an efficient level. Provide an aid amount, based on the gap between need and capacity, to provide a floor of municipal and county services across the state. Peg the aid level at an average level of efficiency in providing services to

offer incentives for improved efficiency.

Provide greater disclosure. Some areas of local government spending are still off the books or in very fine print; they deserve to see greater light. Tax-increment deals, development subsidies and future obligations, such as health benefits for dependents of pensioners, can be very big-ticket items. Only the most persistent sleuth could ferret out the facts on these issues from some local governments. We should refine the "Truth in Taxation" statements to taxpayers to include a "Truth in Obligations" statement that discloses more to taxpayers.

Board of government innovation and cooperation. Aside from shared services and waivers of state laws and rules, the board should advise the Legislature what more should be done to remove barriers for local-government service improvement and provide more incentives for efficiency and effectiveness.

Best practices reviews. The Legislative Auditor's Office now has experience in reviewing particular local government services and sharing ideas for improving their delivery. The Legislature should reauthorize the sunset law for these reviews.

The 1998 election showed people want smarter, better and more efficient government. A good place to start is improving the very important multibillion dollar state-local relationship.

Lyle Wray is executive director of the Citizens League.

Editors positive on Ventura, wary of income schemes

Star Tribune said (Jan. 4) it hoped Gov. Jesse Ventura will bring some of the following differences to the governor's office and Minnesota: a closer partnership with the people, a diminution of partisanship, a government that values talent more than ideology and new attention to young people. **Duluth News-Tribune** said (Jan. 5) it's not true that Ventura lacks substance. The voters who elected him found substance in the fact that he wasn't steeped in mainstream politics, in his habit of speaking his mind, in his being both fiscally conservative and socially tolerant, in his admission that he would make mistakes and in his plain promise to do his best. **Rochester Post-Bulletin** said (Jan. 5) Ventura has "managed the transition from candidate to governor with skill" and has made good appointments so far.

St. Cloud Times said (Jan. 5) Ventura has set two broad themes for his first term: restoring the faith of the people, particularly young people, in politics and government; and improving education. But "It is his program, not his pledge to 'do the best job I can,' that will have to persuade the majority." **Star Tribune** praised (Dec. 31) Ventura's reappointment of Veterans Affairs Commissioner Bernie Melter and his visit to the Minnesota Veterans Home in Minneapolis as signals that "veterans are a subject on which he's got a good head start."

The Minnesota Journal

Publisher — Lyle Wray
Editor — Dana M. Schroeder
Contributing Editor — Ted Kolderie
Sketches — Ray Hanson

The Minnesota Journal (ISSN 0741-9449) is a publication of the Citizens League, a nonprofit nonpartisan Twin Cities public affairs organization, 708 S. Third St., Suite 500, Minneapolis, MN 55415, George Latimer, president. Articles and commentary are drawn from a broad range of perspectives and do not necessarily reflect League positions on policy questions. The Journal is published once a month. Periodicals postage paid at Minneapolis, MN.

Annual subscription rate for nonmembers is \$40 for 12 issues. Orders may be placed at 612/338-1141 or by mail at the above address.

Postmaster: Send address changes to The Minnesota Journal, 708 S. Third St., Suite 500, Minneapolis, MN 55415

On Balance

Editors were wrestling their thoughts onto their opinion pages.

Mankato Free Press said (Jan. 5) there are two things to watch for when measuring Ventura's abilities: "Will he show leadership in advancing and fighting for specific policies that will improve the state? Will he be successful in forging good compromises between the DFL-controlled Senate and Republican House?"

Duluth News-Tribune warned (Dec. 10) that Ventura should be careful about conflicts of interest that might occur with money-making opportunities such as his book deal. It also said when he undertakes such projects, "he should be open about how much it amounts to and provide every opportunity for scrutiny." **St. Paul Pioneer Press** said (Dec. 14) Ventura's "announcement that he intends to pursue a lucrative moonlighting career as a personality and entertainer while serving as the state's chief executive is profoundly unsettling...Can voters be sure his sizable personal interests will not color his public policy decisions?"

Post-Bulletin said (Dec. 28) "Prudent tax rebates are justified, but legislators should recognize that the current boom will not last forever." It said "drastic" permanent cuts in tax rates should be deferred, since

U.S. exports are declining and the current boom is sustained by consumers spending beyond their means. **Star Tribune** said (Dec. 4) the projected \$3.3 billion surplus ought to trigger a permanent tax cut, but not such a deep cut that it leaves Minnesota unprotected for a downturn in the economy. "The seasoned hands of the Senate and the cautious instincts of the new governor will be needed to cool the tax-cutting jets in the House." It suggested the surplus offers an opportunity to increase the state's share of education costs, roll back the 0.5 percent sales tax increase of 1991 and make Minnesota's tax structure more progressive.

St. Cloud Times said (Dec. 10) if legislators plan to consider permanent cuts, they must be sure to consider the tax system as a whole. "If they don't have the stomach for overall reform of Minnesota state finance, they should stick to one-time property tax rebates." **Fergus Falls Daily Journal** praised (Dec. 9) Ventura's prudence and leadership at waiting to see exactly how much money the state should return as a tax rebate. **West Central Tribune (Willmar)** said (Dec. 5) lawmakers should approve a "nice reduction" for the state's taxpayers, but urged them not to overreact.

Yearbook

Continued from page 2

assessment programs leads us to the following conclusions...

- Despite our state's decline in reading scores in the National Assessment of Educational Progress from 1992 to 1994...the reading achievement of our fourth graders remains near the top nationally. In a recent international study of reading, the United States average was significantly exceeded by that of only one country...

- Based on our performance in an international mathematics assessment and an analysis of our curriculum, a re-analysis of our mathematics curriculum seems warranted...

- The large number of eighth grade students failing to meet the high school minimum on the *Basic Standards Tests* remains one of the state's most pressing educational problems...The uneven achievement of student ethnic groups in the *Basic Standards Tests* needs to be systematically addressed...

- The large differences among various ethnic groups in reading, writing, and math across all grades are incompatible with society's diversity goals and with our state's drive toward higher standards for all students...

- The achievement levels in charter schools pose a challenge to parents and to the agencies which charter those schools.

Free Press said (Dec. 9) the state should provide a tax rebate based on any surplus caused by the strong economy and should make plans to do so if the February revenue forecast is similar to the December one. It said the only responsible way to make a permanent tax cut is by cutting state spending.

Red Wing Republican Eagle said (Jan. 5) one issue that will rank high on Ventura's list is campaign finance reform. "Campaign finance will not be accomplished in one fell swoop, and it will be especially difficult on a federal level." **Duluth News-Tribune** urged (Dec. 26) state election reform, including moving the September primary back to June and addressing the problem of the state's poorly attended precinct caucuses.

Fergus Falls Daily Journal said (Dec. 15) the Profiles of Learning need at least one full school year of testing before its value and success can be judged. It said it's likely the profiles will require some fine-tuning, but the recent recommendations of a task force are "a premature overhaul." **Republican Eagle** said (Dec. 11) legislators should exercise caution before curtailing the profiles at this early stage. "If we pare the requirements too much, they will be of little value. At minimum, the profiles should be given a chance to work."

- While ACT college admissions scores for Minnesota declined through the 1980s, they have risen through the 1990s. Of the states with 50 percent or more of its students taking the ACT, only one state had an overall average scale score higher than Minnesota in the 1998 ACT administration.

- With the emphasis on minimum competency engendered by the *Basic Standards Tests*, there has been concern that the education of high ability students may be neglected. Our state's rising ACT scores and the increasingly higher course preparation of college bound students should help allay this concern.

Yearbook cites education achievements, challenges

From Minnesota Education Yearbook 1998, *Office of Educational Accountability, College of Education and Human Development, University of Minnesota.*

A number of data sources at both the national and state level were reviewed in compiling the indicators of educational inputs featured within this report...Among our findings:

- Minnesota's per pupil funding (adjusted for inflation) has increased over time, but at a slower rate than for the nation as a whole. During the 1959-60 school year, Minnesota spent \$2,177, or 13 percent over the national average of \$1,920. In that year, Minnesota ranked tenth nationally in per pupil spending. By 1989-90, Minnesota's per pupil funding had fallen below the national average of \$5,899, and did not again exceed the national

average until the 1994-95 school year.

- The age distribution of Minnesota teachers has shown a dramatic change in the last ten years. In 1987-88, a majority of teachers fell in the 35-44 age bracket (40 percent). Today, the largest group (38 percent) of teachers is between 45 and 54 years old...

- Minority students are character-

ized by higher rates of poverty, limited English proficiency, and disability. If increasingly greater numbers of Minnesota's minority students are faced with these same challenges, higher rates of achievement and graduation will require new strategies for instruction and curriculum...

Our review of the performance of Minnesota students in...various

Continued on page 3

Teachers

Continued from page 1

munity advocates, were contacted for the survey and more than 50 percent of Minnesota public school administrators responded. Survey questions were based on the latest national recommendations from the Interstate Teacher Consortium about what should be included in teacher preparation. The survey included questions about learning theory/styles, classroom management, parent/community involvement, multiculturalism, graduation standards and technology.

Respondents rated new graduates of Minnesota teacher preparation institutions as very well prepared, well prepared, adequately prepared, not very prepared and not at all prepared. The single most common response to all questions was "adequate." Policymakers will need to decide whether adequate is good enough. Many administrators don't think so. They believe that teachers should be "well prepared" in the survey areas.

The good news is that administrators say many recent graduates know the content area(s) they are licensed to teach, and understand how to successfully manage a classroom, promote active, hands-on learning and how to use computers appropriately to help students develop strong academic skills. In these areas, more than 40 percent of the principals or superintendents said recent teacher graduates are "very well prepared" or "well prepared."

Administrators and community/parent advocates responding to the survey did indicate some areas where improvements are needed. New graduates were rated lower on their ability to involve parents, families and community groups. Research indicates that involve-



ment of this type is crucial to the success of students (Henderson and Berla, 1994). The community/parent advocates rated new teachers particularly low in this area. Nine out of 10 rated them as "not very or not at all prepared." These respondents represented the following groups – the Urban Coalition, the Minnesota State PTA, the Chicano Latino Affairs Council, the Minneapolis Police Department, the Council of Black Minnesotans and the PACER Center, Inc.

In another area of particular concern to the legislature, the Minnesota Graduation Standards, recent graduates were rated poorly. Most administrators (60 percent of principals and 71 percent of superintendents) and parent/community advocates (73 percent) felt that new graduates did not know how to integrate the graduation standards into their classroom.

Other areas where more than 25 percent of the principals, superintendents or community leaders said recent teacher graduates are "not very prepared" or "not at all prepared" included knowing how to work with students with special needs and knowing how to work with English-as-a-second-language (ESL) students. In almost every area, most parent/community advocates rated recent graduates as either "not very prepared" or "not at all prepared" And in the question about knowing how to work with diverse groups, all of the parent/community advocates rated recent graduates as "not very prepared" or "not at all prepared."

The survey asked open-ended questions about other aspects of teacher preparation. Responses to these questions yielded other interesting findings.

More than 75 percent of superintendents and principals indicated a strong interest in being more involved in teacher preparation. Unfortunately, the majority of them have not been invited to speak with prospective teachers and have not met with teacher education professors.

About half of the 11 parent/community advocates who responded reported that they had met with teacher education professors and that they

	HAVE NOT IN THE LAST 3 YRS			WANT TO		
	P.	S.	C.*	P.	S.	C.*
Been invited to speak in a college course with prospective teachers	61.1%	70.3%	45.5%	77.1%	76.4%	
Met with teacher education professors to discuss how to improve teacher education	58.8%	58.5%	45.5%	77.3%	75.5%	54.5%
* P.= Principals S.=Superintendents C.=Parent/Community Advocates						

had talked in a teacher preparation class at least once during the last three years. Communication is important. But according to survey results, these parent/community advocates continue to have very strong concerns about the preparation of teachers.

Administrators made many observations about the three most important things they consider when hiring a new teacher. "Knowledge of subject matter" was named by a large number of principals (258) and superintendents (75). But several other factors were named *more frequently*. "Commitment to the growth of children" was most frequently cited by 521 principals and 109 superintendents. Knowledge of teaching methods and child development was second most important for principals (358) and fourth for superintendents (43). "Enthusiasm" (or a positive attitude) was second most important for superintendents (84) and third for principals (310).

So what can we do to make sure that Minnesota's teacher preparation programs are doing the best job possible in preparing teachers for the complicated environment in which they will be teaching? The report recommends that the state build on research that suggests alternative routes into teaching have been "highly successful" in attracting people into areas of shortage, such as math and science (1998 National Association of School Boards report).

Specifically, the report recommends allowing K-12 schools that have demonstrated the ability to make major measurable improvements in student achievement to offer a Master's in Teaching degree to prospective teachers who already hold a college degree in any subject. Under this recommendation the Minnesota Legislature would work with the Department of Children, Families & Learning to identify schools that are having a signif-

icant, positive impact on student achievement. Some of these K-12 schools could consult with teachers, parent/community advocates and universities to design their own teacher preparation programs.

Many administrators expressed concern over the quality and quantity of the student teaching experience. Some administrators suggested that students should get into the classroom earlier in their program and that they should spend more time student teaching under the direction of outstanding teachers. More meaningful classroom experiences would help students learn *how* to teach, not just *what* to teach. The report recommends that the student teaching experience be improved by making it a full year, as is done in Wisconsin. The report also urges that all student teaching be supervised by truly excellent educators.

Other recommendations include: increasing the involvement of parent and community groups in teacher preparation; increasing the information about and experience with Minnesota's graduation standards that students receive; expanding the involvement of principals and superintendents; and periodically gathering information about how parents, community groups and administrators feel about teacher preparation.

Joe Nathan is director and Deb Hare is associate director of the Center for School Change at the University of Minnesota's Humphrey Institute. They are authors, with Stella Cheung, of Improvements are Needed: Minnesota Principals, Superintendents and Parent/Community Advocates Assess Teacher Preparation. The research was supported by the Minnesota Extension Service and the Blandin and Annenberg Foundations. Copies of the report are available for \$7.50 from the Center for School Change at 612-626-1834.

Desegregation

Continued from page 1

al discrimination and to eliminate the effects of prior discrimination.

A little over ten years later (1983), the court ended its jurisdiction over the Minneapolis Public Schools. In that time much progress was made. According to Gregor Pinney of the Minneapolis Tribune (Aug. 1981), "no longer does the city have 'minority schools' in the center and 'white schools' everywhere else. Minority and white students been have spread around to such an extent that it is difficult to put those labels on any school anymore." (Heilman)

While the proposed desegregation rule recognizes that there is a beneficial societal purpose for racial integration, it indicates that this benefit is the result of "voluntary choice of parents and students." In both Minneapolis and Saint Paul, the "choice" has resulted in these school systems becoming highly segregated, based on race and class. History has demonstrated that the current segregation of Minneapolis and Saint Paul Public Schools is not wholly due to parental choice, but to the public policy and legal mandates of state and local governments and the courts to resegregate our public school systems.

School districts and the Commissioner of the Department of Children, Families and Learning consistently state that there are many factors beyond their control, such as housing, jobs and transportation, that impact racial integration and student achievement. It is as if they are an island onto themselves with no responsibility to work with other jurisdictions to address the social conditions that impact educational opportunities.

Policymakers cannot continue to develop public policies that are functionally connected, but structurally fragmented. We can no longer afford to operate in vacuums, separating issues of housing, employment, transportation, etc., as if these policies are isolated phenomena that don't impact each other. If we are to overcome the significant barriers of educating all

students, then it is time we stop making excuses for our failures and start being held accountable for results. The proposed desegregation rule provides no consequences for continuation of the status quo.

In recent years urban schools throughout the country have reseg-

"The proposed desegregation rule provides no consequences for continuation of the status quo."

regated. According to Del Stover, in an article entitled "Segregation Makes a Comeback" (1995), "Today, almost two-thirds of African-American students, three-fourths of Hispanic students and almost half of Asian students attend schools that are predominantly minority. Isolation is the norm."

A question not addressed in the proposed rule is whether integration and desegregation strategies are viable public policy options to improve student achievement. Communities of color and majority communities are ambivalent about this question. Some former proponents of desegregation now are changing their attitudes in support of neighborhood "community" schools, even if they perpetuate segregation. Many who spearheaded integration and desegregation movements of the 50's and 60's now believe that if integration is a means towards an end in itself, then it does not serve the broader needs of the community as a whole. On the other hand, a large

segment of the community believes that any form of racial segregation will lead to unequal outcomes for people of color.

Research indicates that there is a direct correlation between academic achievement of students of color and desegregation. Numerous national studies indicate that stu-

dents of color had higher achievement levels in schools that had a majority European American student population. But the studies showed that students of color had higher test scores, not because they were in schools with children of a different race, but because the European American students generally had higher income and social economic status than the students of color (Crain and Mahard, 1982, and Orfield and Thronson, 1993). In Minneapolis Public Schools, European American students had higher test scores in schools with higher percentages of students of color, according to a 1997 report by Dr. Samuel Myers of the University of Minnesota's Humphrey Institute.

"High poverty schools in Minneapolis and Saint Paul consistently have lower achievement than their more affluent counterparts within the two districts and in the surrounding suburbs," found a 1998 report by John Powell of the University of Minnesota's Institute on Race and Poverty. "Poor stu-



dents of color are at the short end of a large learning gap, achieving at very low levels."

As of 1998, Minneapolis public school students of color represented 68 percent of the total population. It is also a fact that Minneapolis students of color live in communities that are highly segregated by race and class (Powell, 1998). A 1997 study published in the CURA Reporter indicates that "Rates of poverty among African-Americans in the Twin Cities are the highest in the nation." The report goes on to state that from 1980 to 1990, Black poverty rates rose modestly from 51 percent to 56 percent and Asian poverty rates rose from 62 percent to 71 percent in established ghetto areas of the Twin Cities. Given these demographic realities, it is difficult to see how Minneapolis and St. Paul Public Schools can racially and economically integrate their student bodies without involving suburban school jurisdictions in some meaningful way.

The proposed rule turns a blind eye to historic patterns of discrimination and segregation that created the current situation of concentrations of poverty among many people of color in our community. The proposal disregards policies or practices that appear neutral on their face, but may have a discriminatory impact on students of color. For example, the proposal provides a framework for the Commissioner of the Department of Children, Families and Learning to evaluate "racially identified school[s]" within a district. The Commissioner is to determine whether the racially identified school in question is the result of "a discriminatory purpose." The proposal shifts the standard of addressing historic patterns of segregation to proving a discriminatory intent.

This policy, if adopted, allows school districts to create programs that would further separate students based on race. It would also allow for a continued practice of busing students of color further and more frequently than European American students, which is currently the case in the Minneapolis Public Schools. All jurisdictions, be they municipalities, counties, school districts or state agencies, have a

Continued on page 6

Desegregation

Continued from page 5

responsibility to ensure all students learn. The goals of desegregation and student achievement are not mutually exclusive, but interdependent. The proposed new desegregation rule is guaranteed to perpetuate a punishment-centered bureaucracy where risk and innovation are undermined and consequences for outcomes are nonexistent. It will further exacerbate the polarization between urban and

suburban communities and it will lead to a deepening of the divide between people based on race and class.

In order for a new desegregation rule to be effective, we must move beyond parochial self-interest and move toward a metropolitan-wide strategy which supports the common good of the region and the state. We must also allow parents to have real choice of where their children attend school, regardless of their socio-economic situation. School districts and the state must have consequences that go beyond

Kelso

Continued from page 1

kids," Kelso said. "We have high graduation rates, high ACTs, PSATs, etc. But when we saw the first round of test scores, we saw we are failing other kids. There needed to be headlines in the papers. The people in the system knew that, but public pressure to deal with the neediest kids wasn't there before."

"For 18 years the business community has said we've been graduating kids who don't have basic skills," she said. "Clearly that's true."

"This problem is not equally pressing on everyone," Kelso said. "It's a huge challenge for Minneapolis and St. Paul." She believes those districts are responding, however. "Two years ago Minneapolis had 3,000 kids in summer school. Last summer they had 13,000."

She fears whether Minneapolis and St. Paul will be able to stick to refusing to graduate students who have not passed the basic skills tests by the spring of 2000. She also said the will of the Legislature to continue spending more money per student in Minneapolis and St. Paul may weaken at some point. She noted that the higher funding per pupil in Minneapolis versus Prior Lake was one issue used against her in the November election.

School choice

Kelso said another important legislative accomplishment during her tenure is the expansion of public school choice. She played an

important part in the 1991 passage of Minnesota's charter school law—the first such law in the country—as the chief House author. "It was a very tough fight," she said.

She thinks open enrollment, post-secondary options, charter schools, boarding schools, lab schools and the proliferation of alternative programs are all part of "a trend for the good." She believes, however, that choice will have less impact on the education system than the increased focus on student achievement.

"Statewide testing provided a jolt this state needed."—Former state Rep. Becky Kelso

She does not see choice as a systemwide reform. "The majority of kids will go to the public school in the area in which they live. Statewide standards and testing affect all kids." School choice does not affect all students, she said, because more choices are available to metro-area students whose families can provide transportation, while fewer choices are available to students without transportation options and to rural students.

And the impact of school choice on providing competition with the established education system has been limited in the last few years because of student growth, Kelso said. Rapidly growing school districts might actually be happy to see students going elsewhere. However, she said, choice does have an impact in small school districts.

the typical bureaucratic responses of reports and paperwork. We must stop blaming the children or their circumstances as impediments to providing them quality educational opportunities.

Gary Cunningham is associate collegiate program leader for the University of Minnesota Extension Service at the Humphrey Institute and research fellow of the Institute's Reflective Leadership Center. Later this month he becomes Director of Planning and Development for Hennepin County. Barbara Bearman and Matthew Little

Special education

Last year, Kelso said, she took an "uncomfortable" lead position on trying to rein in special education costs. "No legislator wants to be seen as a foe of children with special needs," she said.

Kelso said she has dealt with special education in several facets of her life: as a legislator, as a school board member, as an advocate at ARC for a short time and having a family member with special needs.

But, she said, a recent Legislative Auditor's report spelled out the

are community activists and founding board members of the Education and Housing Equity Project (EHEP), organizers of the Minneapolis NAACP school adequacy law suit. This article is based on the authors' written comments to the Jan. 20 public hearing before an administrative law judge on the proposed new desegregation rule. More information about the hearing is available by calling Mary Lynne McAlonie at the Dept. of Children, Families and Learning at 651-297-7820 or 1-800-657-3927.

was right for the state to look at the issue, with the federal reauthorization of special education the previous year. She successfully pushed for two major cost-containment provisions:

● Minnesota special education mandates will not exceed those of the federal government unless the Legislature goes back and expressly decides to do so.

● The state will pay part of the legal costs for school districts involved in legal battles over special education services. In the past, the state paid part of the legal costs for parents, but never for school districts, so school boards often gave in to even extravagant demands for services rather than go to court.

"I don't see this cutting services," Kelso said.

Compensatory aid

Kelso was also involved in major legislative changes in 1997 in the state's compensatory aid program, intended to help cover the extra costs of educating low-income students. The Legislature increased compensatory aid funding by \$100 million over the biennium, to \$360 million. It also directed that all compensatory funding be sent to school sites—rather than to the district as a whole—with spending decisions to be made by representative, site-based councils.

Kelso said she recognizes that under the old system compensatory funding became part of the district's total pot of money and was not directly targeted to low-income students. "When [the late Min-

Continued on page 7

Kelso

Continued from page 6

neapolis Urban League President] Corey Sudduth said, 'Show me the money,' he was right on," she said. "Sending the money to the site level was a good idea."

"Where I think we made a mistake was saying all of the compensatory aid would go to the sites," she said, rather than just the new compensatory money. In 1998 the Legislature put more money into compensatory funding to hold harmless the sites that were losing funds, Kelso said.

She believes poverty is not the best way to target compensatory funding and that the state will eventually move to target the funding on students who are not achieving. She cited Rep. Joe Opatz's (DFL-St. Cloud) exploration of giving sites where students are failing extra money in a controlled and mandated way, while giving sites doing well money without controls.

Issues remaining

Kelso noted four major education issues facing the state in the near future:

- Getting kids to pass the basic skills tests;
- The profiles of learning;
- Class-size reductions;
- Racial integration/desegregation.

Kelso thinks setting state standards for what kids need to know makes good sense. But as the profiles of

learning have developed, she said, "I'm not sure how we ended up in this mess. The profiles are so overly bureaucratic." But she believes the profiles can be saved and that repealing them would be a "disaster."

Kelso's solution? "Good, understandable standards." She believes the inquiry and resources parts of the profiles—how one finds things out—must be retained. And she likes the combination of vocational and hands-on approach with academics that the profiles encourage. She thinks the performance packages have been harmful, because some districts have told teachers they must follow them exactly, rather than use them as examples, as they were intended. And the evaluation part of the profiles is "unworkable," she said.

She believes the state has no choice on making class-size reductions, since Gov. Jesse Ventura promised them during his campaign. "Teachers can do better with 15 students than with 25," she said. "But it's age-related. The need for personal attention diminishes as kids age. Those little tikes need personal attention."

But Kelso believes it can be personal attention from an adult who is not necessarily a certified teacher. She thinks the ratio should be adult-to-child, rather than teacher-to-child. She pointed out that reductions in class size are very expensive, but costs could be cut if the extra adult in a classroom didn't have to be a certified teacher.

Kelso said the new Commissioner of Children, Families and Learning

will have to deal with desegregation issues. "The old desegregation rule is unworkable," she said. "Minneapolis has been waived from compliance with the rule, which is not fair to the other districts. We can't go with the old rule. We need a new approach."

"There are no easy answers," she said. "If there were, we would have found them by now. It goes back to *Brown v. Board of Education*. I thought racial prejudice would decline if people were educated together. It's still a goal, but busing hasn't worked and the public doesn't support it. The greater goal is, Are the children in those classrooms learning? rather than, Have we achieved a better head count?"

"I still think an integrated situation is better," she said. "But how do we get around the antipathy to busing? Some people think we need to force metrowide desegregation, but there is no political will for it. There are not more than 30 votes in the Legislature for it."

The answers, Kelso believes, are to focus on student achievement and to have financial incentives for cross-district integration. Perhaps a suburban district could be offered more money if it open enrolls a student of color. Likewise, since tax breaks are better motivators for middle-class parents than for low-income families, she said, perhaps middle-class families could be offered a tax break to send their children to urban districts.

"These solutions are always going to be limited," she said. "The big answer is not to have poor people all living in one place and rich people all in one place."

Legislative process

Kelso has concerns about how the Legislature handles K-12 education issues. "The public school vested interests are too powerful," she said. "The teachers' unions are too powerful. The amount of money [given to legislators] from teachers is not a good thing." She noted that after she became chair of the education funding committee, she didn't ask for teacher endorsements.

She believes debate on certain education issues, like the profiles of learning and vouchers, has become very partisan. "In the past, decisions in K-12 didn't used to be partisan. They were much more geographic," she said.

Leadership from the governor

She noted that at a gubernatorial debate during this fall's campaign, lieutenant governor candidate Sen. Gen Olson (R-Minnetrista) responded to a question about what grade the candidates would give to Minnesota education. Olson responded that for some students it deserves an A, for some, an F. "That would be my assessment," Kelso said.

"We need to accept that we are failing some kids and that is unacceptable," she said. "How do we fix that without negatively affecting what we've always done well?"

"The governor is key," she said. "No given legislator can sell to the state like the governor can. We need leadership from the governor on K-12."

Dana Schroeder is editor of the Minnesota Journal.

transit or getting people out of their cars. A first-time rider would take all of five minutes to figure out how uncomfortable the seats are (especially compared to a car seat), while faced with 30 minutes of bus ride still ahead.—R.W.

"Take Note" contributors include Minnesota Journal and Citizens League staff members and Janet Dudrow, communications specialist at Allina Health System.

It's no wonder the region is having trouble drumming up support for

Take Note

Continued from page 8

The winter 1999 edition of the Minnesota Department of Economic Security's *Regional Employment Review* details employment growth over the last five years for the seven metro-area counties and the cities of St. Paul and Minneapolis. Among those nine jurisdictions, Washington County's 20 percent-plus job growth rate led the way. Moreover, with base employment only a fifth

the size of Minneapolis (57,000 to 294,000), Washington County added nearly as many jobs in the last five years as did Minneapolis (12,891 to 13,167).

Similarly, Carver and Scott counties, with an employment base of about 28,000 each, added about as many jobs (about 4,500) as did St. Paul, despite the latter's total employment base of 192,000. Suburban Hennepin County added the most total jobs, 60,842, followed by Dakota County, with 22,311, although Dakota County's were

added to a much smaller base (Dakota County's 136,000 to suburban Hennepin's 529,000).—P.J.

Take your seat, please. The Metro Council recently purchased a handful of new buses, each replete with shiny, metal seats covered with fairly meager cushioning. Informal polling among my fellow bus riders confirms that these seats are ironically the most uncomfortable in the entire aging bus fleet.

42% of Minneapolis 11th graders face testing hurdle

A different kind of Y2K problem: What happens when members of the Class of 2000 are ready to march up on stage to receive their high school diplomas and a sizable number of them have not yet passed the state-required basic skills tests in reading and math—despite, in some cases, five years of trying? Will the state stick to its guns with this first class to face the test requirement and not allow them to graduate? Or will pressure for a diploma be too great?

A preview of the possible size of the problem: As of Nov. 9, 1,164 (or 42 percent) of the 2,742 Minneapolis public school 11th graders still had not passed one or both of the basic skills tests. The tests were first given to them as eighth graders (or later, if they came from out of state or otherwise missed the first round of testing). The students have been retested each year, meaning a continuously enrolled 11th grader has taken and failed one or both tests three times. The next round of testing takes place at the end of January.

In certain cases, special education students and limited English proficiency (LEP) students can be exempted from the testing requirement. Char Rogers of the Minneapolis Schools Research, Evaluation and Assessment Office said some students had already been exempted before these statistics were compiled, but others will still likely qualify for exemption and others will drop out or move out of the district before next year.

Nonetheless, a large number of Minneapolis 11th graders will have to improve their test scores this year or next, or qualify for an exemption, or the district—and others around the state—will face more than computer problems in Y2K.
—Dana Schroeder.

R.I.P., TIF. A recent study by two Illinois economists provides more ammunition for the Citizens League's long-standing advocacy for either elimination or complete overhaul of tax-increment financing.

The study suggests that, in direct contrast to conventional wisdom, cities that adopt TIF actually grow more slowly than cities that don't use TIF. Analyzing data on cities in Cook County, Illinois, and surround-

ing counties, the authors found that equalized assessed values in cities using TIF grew more slowly because TIF "redirects economic activity to TIF-designated areas at the expense of the rest of the city."

Also implied in the study is an argument posited by the League's *Help Wanted* report (Nov. 1998): namely, that TIF and other popular real estate-based economic development incentives do not provide the "value-added" necessary for economic growth in an information economy.—Ron Wirtz.

Allow us to puff out our chests a bit. The principal recommendation of a 1987 Citizens League report entitled *The New Weigh to Recycle* was that the Legislature should "require that fees for waste collection and disposal services be volume-sensitive." The thinking was that volume-based garbage fees would reward people for reducing their garbage by buying less, paying attention to packaging, recycling or other means.

Apparently, policymakers in Minnesota have paid attention. According to *Governing* magazine, 3,887 communities across the country have solid-waste collection programs that charge based on the amount of trash generated. Of those, 1,834, or 47 percent, are here in Minnesota. And it's probably no coincidence that Minnesota is one of the nation's leading recyclers. Another example of the League shaping public policy that makes Minnesota a national leader.—Phil Jenni.

A year-long Metro Council study on sewer access charges (SAC) has produced recommendations mirroring those of the Citizens League's 1997 *It Takes A Region* report. Both studies recommended that the SAC fee be increased so new development bears the full cost of sewer expansion.

The revenue shortfall produced by the current SAC rate is made up by existing ratepayers. The Council report recommended that the SAC fee be increased \$50 per year until

Take Note

"Human history becomes more and more a race between education and catastrophe."—H.G. Wells

SAC revenue equals the cost of serving growth, which it estimated to be about double the current SAC fee of \$1,050. Just 10 years ago, the SAC fee was \$550.

At its December meeting, the full Council approved a set of SAC changes stemming from the report that will now go to the Legislature for authorization and possible implementation next year.—R.W.

Jeff Goldsmith, president of Charlottesville-based Health Futures, Inc., sees one of three "predictable crises in health care" as the damage to the foundation of conventional life and health insurance that will be wreaked by the explosion of knowledge about the genetic sources of disease, coupled with the medical advances sure to follow.

Goldsmith predicts individuals who know they are at high risk for genetically-influenced illness will shop accordingly for a health-insurance plan. Premiums for the plans chosen by sicker people go up, healthier members of those plans move to cheaper policies or decide to forego insurance and health insurers lose money, even after raising premiums.

New Medicare regulations forbid health insurers from discriminating on the basis of genetic information; it's difficult to imagine the American public standing for it in the commercial market, either. That means a genetic "information asymmetry" would work to the advantage of individual consumers.

According to Goldsmith, insurers may decide to "cut their losses, voluntarily end the conventional underwriting process, and embrace community rating instead." (Community rating means everyone in a community pays the same as everyone else in the same age and sex category, regardless of health status or history.) With community rating come higher premiums for younger, healthier people, some of whom may take their chances and go without.

Goldsmith's proposal: Require all individuals to maintain health coverage (like auto insurance), cap the Medicare payroll tax rate for workers under 35 and provide a means-tested tax credit that people with limited incomes may use only to purchase coverage. Pay for the tax credit by limiting tax deductibility of employer-provided health insurance above a certain income level.

A correct prediction? The right solution? Too soon to know.—Janet Dudrow.

We're not #1! According to analysis by the Minnesota Taxpayers' Association, it looks as though the state's 1997 property tax reforms have actually made some inroads on the state's unflattering reputation as a high-tax state.

For example, the state moved from second to third highest in apartment property taxes and from first to third in commercial property over \$1,000,000. And recent reforms improved the rank of industrial property valued at \$1,000,000 from first in the nation to seventh and taxes on \$150,000 homes moved from 14th to 19th.—R.W.

Continued on page 7

**Minnesota Journal
Citizens League
Suite 500
708 S. Third St.
Minneapolis, MN 55415**

PERIODICALS
POSTAGE PAID
AT MINNEAPOLIS
MINNESOTA