

How Vouchers

BY SPENCER S. HSU

Came to D.C.

The inside story of
the Bush
administration's
successful effort
to bring school
choice to the
nation's capital

"We walk away from these kids in every regard. We never fix these schools," said a disgusted Rep. Richard K. Armey (R-Texas). The date was May 23, 2001, and the Republican-controlled House of Representatives had rejected a proposal to fund a pilot school voucher program that would have provided a token voucher of \$1,500 to students in five schools nationwide. "Where is the heart?" Armey, then the House majority leader, asked his own members.

Less than three years later, President George W. Bush delivered a far different message to voucher supporters—a declaration of victory. In January 2004, Bush signed legislation providing grants worth as much as \$7,500 each to children from dozens of public schools in the District of Columbia for their use at private or religious schools in a five-year experiment. The recipients of the first federal "opportunity scholarships," as advocates named them, were announced in June.

After the vote, in a speech at the Heritage Foundation, a Washington-based conservative think tank, Secretary of Education Roderick R. Paige predicted that Washington's example would trigger campaigns in state legislatures across the country. "We have turned a corner," the secretary said. "This is just the beginning. We can't just sit and wait five years to see what happens here."

The D.C. program is a landmark, representing the first federally funded school voucher program. Moreover, by design the D.C. vouchers are more generous than those approved in Milwaukee, Cleveland, Florida, and Colorado, although they are generally limited to fewer children (see Table 1). How school voucher advocates engineered the breakthrough is the story



PHOTOGRAPH BY STAFF/WASHINGTON POST

Washington parents interested in school vouchers attend an orientation meeting at the Washington, D.C., convention center.

of a complex alignment of interests among conservative education activists, the Republicans who control Washington, and the local leaders of a majority African-American city. The legislation's passage, the culmination of a nine-year fight in Congress, attested to the school choice movement's persistence, deep pockets, and ability to capitalize on Washington residents' frustration with their struggling public schools.

To opponents, the creation of a federal program that pays for children to attend private schools can only foster the spread of vouchers. But Tanya Clay, legislative director of People for the American Way, a liberal advocacy group, said it is not clear if state legislatures will follow suit or if other black urban politicians will join them. The Washington fight was unique in many regards, not least in that the legislators who approved the voucher program are unac-

countable to the voters whose lives it will affect, since the District of Columbia has no vote in Congress.

The latter is a chief bone of contention among some critics. In the words of Eleanor Holmes Norton (D), Washington's elected, nonvoting delegate to the House of Representatives, "[Republicans] used our denial of representation in the Senate, where vouchers would have been disposed of as a matter of senatorial courtesy, to force vouchers on the city."

A Ripe Target

The D.C. School Choice Incentive Act of 2003 provides \$65 million (plus \$5 million for administrative costs) over five years to send as many as 1,700 low-income D.C. students to private and parochial schools starting in the fall of 2004. The grants are limited to those

households earning up to 185 percent of the poverty level, about \$34,873 for a family of four in 2004. Scholarships are aimed at students from low-performing D.C. public schools.

The victory came at a price. To win the support of local officials, the Bush administration and Congress had to pledge \$2 in additional aid to the District's regular and charter public school systems for every \$1 in new tuition grants for private schooling. The concessions confounded some voucher purists, who say the deal undermined the competitive incentive for public schools to improve.

Voucher advocates who supported the deal calculated that, whatever the concessions, the movement would benefit in the long term from a pilot program. The outcome provided advocates with not only a high-profile laboratory for the idea, but also fresh evidence that

a political strategy aimed at fusing support from African-American urban leaders to a coalition of Republican groups can work under certain circumstances. As one example, participants cited the cultivation of D.C. mayor Anthony A. Williams, whose backing proved decisive. "We had never had a locally elected black official, a Democrat from a city like D.C., asking for something like this before," said Nina Shokraii Rees, director of the U.S. Department of Education's Office of Innovation and Improvement, which is implementing the program. "That's the single strongest factor that got people's attention."

Rees, a veteran of the school choice movement, said Washington was a ripe

Clinton would veto it. George W. Bush's election in 2000 removed that obstacle, and the transition to unified Republican control of the federal government led some District officials to calculate that voucher legislation for the city would eventually come to pass.

One other factor unique to local Washington politics would shape events: the most powerful force opposing vouchers in D.C. politics, the local teachers union, had fallen into disarray. Responding to teachers' complaints of unusually high deductions for union dues from their paychecks in the summer of 2002, the American Federation of Teachers launched a financial audit and found at least \$4.6 million missing from the trea-

in Los Angeles, before serving in the Air Force and earning undergraduate, law, and public policy degrees from Yale and Harvard. Running for mayor in 1998, Williams called the parents who scraped together the money to send him to private school the greatest influence in his life. Nonetheless, as a candidate and officeholder, Williams called vouchers a divisive distraction benefiting the few at the expense of the many in public schools. "While the District's public school system . . . must be reformed, school vouchers are not the answer," he said at the time. "Rather than using taxpayer dollars to provide vouchers to a few, we must focus our resources and efforts on concrete reforms that make our public schools better for all of the District's schoolchildren."

By 2002, a reelection year, the mayor had found the problems of the D.C. public school system intractable and a growing political weight. Williams routinely promised quality schools as the linchpin of a vision to lure middle-class residents back to the city. His failure to deliver on this promise had worried his base of business supporters and made him appear feckless to skeptics.

For its part, the school system has churned through a new superintendent every two years on average since 1994. Over that period, the performance of D.C.'s students has remained distressingly low compared with students in other large urban school districts. The system reports needing \$2 billion more to maintain crumbling schools, whose dilapidation delayed the start of the school year twice in the 1990s. Meanwhile, per-pupil spending reached \$13,355 in 2002-03, compared with a national average of less than \$10,000 a year, according to U.S. Department of Education statistics, although, unlike other school systems, the District figures include the equivalent of both state-level and local education spending.

The list of familiar big-city woes continues. Violence remains a menace, with school-related shootings claiming three

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target. Movement strategists consider five factors when selecting battlegrounds, she said, and the District met each condition: a legislative and an executive branch controlled by supporters, local political champions for education or urban renewal, local business support, a weakened teacher union, and grassroots backing.

Advocates enjoyed important institutional advantages in swaying D.C.'s local government. Even though residents of the nation's capital elect their own local leaders to oversee most city and state functions, the District has no vote in Congress, and final oversight remains the province of the president and Congress. Consequently, Republicans have made regular attempts to enact a voucher program for the District—despite fierce opposition from local politicians—ever since they took control of Congress in 1994. Congress narrowly approved one such bill in 1998, knowing that President

Clint's local affiliate, the Washington Teachers Union. Over the next two years, a federal investigation revealed that top union leaders had siphoned away dues to fund their lavish lifestyles. The episode neutralized the union's clout just as its political influence would be tested most.

The Mayor Signs On

It was in this unsettled environment in 2002 that Williams—together with a small group of other black Washington Democrats previously opposed to school vouchers—began back-channel talks with supporters close to White House and congressional leaders. In Williams, the school choice movement discovered an unexpected ally, motivated by a combination of personal biography, pragmatism, and political survival.

The adopted son of two postal workers, Williams, 52, graduated from Loyola, a Catholic, mostly white high school

teenagers in a three-month span last year. A new D.C. school board study concluded that the system was beset by a lack of accountability, an “incoherent” curriculum, haphazard instruction, and “abysmal results.” Disparities between the test scores of black and white students are among the nation’s widest, in a student body that is 84 percent African-American. Finally, the system’s long-term flaws are evident in the city’s functional illiteracy rate of 40 percent among adults. If the D.C. public school system were in any other city, some observers have concluded, it would long ago have been taken over by a state legislature. Congress, however, is ill equipped and disinclined to undertake that local function.

So when a council of chief executives of the area’s largest corporations identified school reform as their top priority, Williams listened. In 2002 he gave a private pledge to business leaders organized by Terence C. Golden, a former Reagan administration Treasury official and chief executive of Host Marriott, to support vouchers as part of a broader initiative to help charter and regular public schools.

One key figure was Joseph E. Robert Jr., a local real-estate mogul who has spent millions promoting school vouchers and supporting local education and youth groups. Robert recalled the CEO dinner in the fall of 2002 at which Williams abandoned his anti-voucher stance. “The question came up, what big idea should we be working on in his administration the next year with regard to education,” said Robert. With the mayor coming out in support of vouchers, Robert pushed ahead with a full-scale campaign. “We called it ‘Capital Gains,’” he said, and embarked on a series of meetings with business and community leaders “in every office, in restaurants and homes . . . to get vouchers right here in Washington.”

Robert supported grassroots organizations such as D.C. Parents for School Choice, a group of about 50 activists and hundreds of supporters

that had become the public face of the District of Columbia voucher movement. In addition, Robert capitalized on his ties to such national figures in the voucher movement as Wal-Mart heir John Walton and his American Education Reform Council; Howard Fuller, the former Milwaukee superintendent who now heads the Black Alliance for Educational Options; and the Institute for Justice, the voucher movement’s legal brain trust. Also involved were J. Patrick Rooney, chairman of the Golden Rule Insurance Company; the family of Richard M. and Betsy DeVos Jr., founders of Amway Corporation; and former Circuit City chief Richard Sharp. “These are people who have connections on the Hill, who have friends. Without them I think it is fair to say this wouldn’t have gone anywhere,” said Rep. Thomas M. Davis III (R-Virginia), an eventual sponsor of the D.C. voucher legislation.

In explaining his change of heart, Williams said after years of effort he had learned that “trying to do the same thing just doesn’t work.” He also cited public opinion research showing that voters believe government spends enough on education but does not spend it well enough. At the same time, the mayor said he got the best deal he could for the city because he secured additional dollars for public schools. He explained, “Here’s the way to think about it. Let’s say you have 2,000 students choose a voucher program. You hold harmless the public schools because another \$13 million can go into enrichment of one sort or another. That’s real money over a period of five years if we’re serious in pushing it



Mayor Williams and Secretary Paige announce the administrator of the D.C. School Choice Incentive Program.

through to the public school system, dealing with issues of juvenile crime, the lack of structure, the whole panoply of social issues. Reorganizing education is a first step. I think it’s an important precedent that other places in the country might follow, and it’s important for us.”

The Tradeoff

The Washington talks did not take place in a vacuum. In February 2003, President Bush leaked word through aides that his 2004 budget would include \$75 million for school choice experiments in a handful of cities, including the District of Columbia. White House officials had been kept apprised of developments in the District through Republican intermediaries active in city affairs such as former GOP cabinet members William F. Bennett and William T. Coleman.

PHOTOGRAPH BY ROBERT A. REEDER FOR THE WASHINGTON POST

Publicly Funded Voucher Programs in the United States (Table 1)

	D.C. Opportunity Scholarship Program	Colorado Opportunity Contract Pilot Program*	Florida A+ Plan Opportunity Scholarship Program	Cleveland Scholarship and Tutoring Program	Milwaukee Parental Choice Program
Year Vouchers Inaugurated	2004	2004	1999	1996	1990
Voucher Amount	Up to \$7,500, based on financial need	Lesser of private schools' per-pupil cost or 37.5% of district per-pupil operating revenue for kindergartners 75% for elementary and junior-high students 85% for high-school students, approximately \$4,500	State's share of eligible student's educational expenses, about \$4,000 during 2003 school year	Up to \$2,700 for K-8 and \$2,430 for grades 9 and 10 during 2004-05 school year Capped at 90% of tuition and based on financial need	For 2003-04 school year, the lesser of \$5,882 or private school's per-pupil costs
Eligible Students	Students eligible for federal lunch program	Students must be eligible for federal lunch program and come from a district designated by the state as "poor performing" or that voluntarily participates	Students in schools that received an F on the state report card twice within a four-year period	Students in the Cleveland school district	Students with household incomes at or below 175% of the poverty line
Potential Number of Students	Funding available for as many as 1,700 students Program is authorized for 5 years	Participation capped at 1% of a district's enrollment in program's first year, rising annually to a maximum of 6% In the first year, 11 districts were set to participate and a maximum of 3,400 vouchers were to be available. By the program's fourth year, 21,000 students could be using vouchers	Not capped During the 2003-04 school year, 1,611 students used an opportunity scholarship. Of those students, 640 attended a private school.	Budgetary cap 5,281 students received tuition scholarships during the 2003-04 school year	Capped at 15% (about 15,000) of Milwaukee public school students 13,258 participants during the 2003-04 school year

* Program invalidated by Colorado Supreme Court pending legislative revisions

NOTE: All programs allow vouchers to be used at religious schools. Florida also has the McKay Scholarship for Disabled Students, which are available to students with special needs whose parents are dissatisfied with their academic progress. During the 2003 school year, 13,739 Florida students used a McKay Scholarship to attend a private school.

SOURCE: Washington, D.C., Colorado, Florida, Cleveland, and Milwaukee voucher programs

"The secretary had heard from several people that the mayor in private conversations had expressed interest in school choice," said one official close to Paige.

Within days of the Bush leak on vouchers, Secretary Paige opened direct talks with city officials, meeting with Mayor Williams and with D.C. school board president Peggy Cooper Cafritz and D.C. council member Kevin P. Chavous.

Dead set against vouchers when he ran against Williams for mayor in 1998, Chavous had come around to supporting charter schools, reflecting Democratic orthodoxy. At a February 2003 dinner with the chief executives at a downtown hotel, he announced his further conversion to vouchers. "More money alone wouldn't do it," Chavous

recalled. "Public schools won't reform themselves internally. They will only respond to external pressures and a more educated electorate."

Where Cafritz in early February had declared the school board "solidly against vouchers" and proponents "people whose goals are different than the people who live here," she shifted course in a newspaper opinion article the following month. She began by conceding, "Some version of this legislation is certain to pass. . . . We must accept the federally proposed voucher or scholarship program." In exchange, she sought money for the public system, limitation of vouchers' use to private schools in the city, and discussion of a "Marshall Plan" for public schools, charter schools, and other nonprofit education facilities in the city.

With the mayor, the school board

president, and a key city council member on the team, voucher supporters had cracked the solid wall of local opposition that had stalled past campaigns.

Congress Debates

Throughout the summer of 2003, voucher opponents were mobilizing. As a September showdown neared, their coalition included the major teacher unions and public education associations, People for the American Way, the Leadership Conference on Civil Rights, and several Jewish organizations, among others. Opponents hammered at the theme that vouchers would divert taxpayers' money from public schools, weaken public education, and leave tens of thousands of children behind. Teacher union officials began calling in chits with

swing members; local school board members flooded Capitol Hill switchboards; and party-whipping organizations went to battle stations.

The White House turned up its pressure. For the first time in recent memory, a president sent emissaries to meet with appropriations committee members to press them to include funding for a single initiative. President Bush's senior congressional lobbyist, David W. Hobbs, called the voucher program as high a priority for the administration as passage of No Child Left Behind in 2001. He portrayed the vote as a test of Republicans' loyalty to their president and said Bush himself lobbied lawmakers.

The floor debate was familiar. While opponents said that vouchers had no track record of improving student performance, supporters countered that no alternative could be worse than Washington's public schools, which in any case were in line to receive more federal aid. Critics also said that private schools receiving taxpayer aid would be less accountable to voters and would operate free of some antidiscrimination laws.

Meanwhile, advocates invoked the "hypocrisy" of voucher critics in Congress who were rich enough to send their own children to private schools but would deny that option to the city's poorer families. Finally, they said accountability would be ensured by the U.S. secretary of education and Mayor Williams and by rigorous research studies supported by the department. The result was one of the closest votes of the year. On September 9, 2003, the full House approved a District of Columbia voucher bill by a single vote, 209–208.

Meanwhile, the Senate was waging its own pitched fight. Both sides focused on the Senate Appropriations Committee and a handful of centrist members who held the balance of power. Under Senate rules, the committee's vote would be crucial to the bill's fate.

If the measure reached the floor, the Republican majority would have the upper hand in parliamentary maneuvering to force final passage. However, in July, one of the committee's Republican senators, Arlen Specter of Pennsylvania, had made clear his opposition, citing concern that the voucher program would lead to religious discrimination and scuttling hopes for a quick committee vote.

bill on to the floor with the help of Feinstein and ranking panel Democrat Robert C. Byrd of West Virginia.

Both sides launched a final blitz. D.C. Parents for School Choice ran television advertisements targeting key senators including Massachusetts Democrat Edward M. Kennedy, accusing him of fighting efforts to help black children and comparing him to segregationist Bull Connor, the police chief in Birm-

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Feinstein's Conversion

From the logjam emerged Democratic senator Dianne Feinstein of California. Like Williams, Feinstein had served as a big-city mayor, in her case nine years in San Francisco. Like him she had spent her career, 30 years in elective office, opposing vouchers. But like Williams, she credited her family's decision to enroll her in a Catholic school, as one of a few Jewish students, with setting her on her life's course, from Stanford University into public life and to the U.S. Senate. In an abrupt break with California's powerful teacher unions, Feinstein reversed course and embraced the D.C. choice legislation on July 22.

"Local leaders should have the opportunity to experiment with programs that they believe are right for their area," Feinstein said. "If supporting the mayor's proposal will help us to better understand what works and what doesn't in terms of educating our youth, then I believe Williams should be allowed to undertake this experiment." She also made clear that she was supporting vouchers in a Washington test case, not for her home state. The Senate committee forwarded the District

ingham, Alabama, who used violent tactics to disperse civil-rights demonstrators in the 1960s. The ad said, "Senator Kennedy, your brothers fought for us. Why do you fight against us? Are the unions really more important than these children?" The Black Alliance for Educational Options bought a full-page ad in a New Orleans newspaper accusing Louisiana senator Mary Landrieu of turning her back on African-Americans and noting that her two children attend private school in Washington.

Voucher opponents also fought fiercely. The National Education Association called on the four Senate Democrats then on the presidential campaign trail to be ready to return to Washington to vote against the measure. State NEA affiliates arranged meetings with wavering members, such as Sen. Tom Carper (D-Delaware), from whom the union had withheld its endorsement after past disputes. Together with wavering Republicans in states where vouchers are unpopular, opposing Democrats held firm.

In the end, a de facto filibuster by opponents kept the measure from passing for four months. But if the GOP leadership could not muster the 60 votes

needed to cut off debate and pass the bill, opponents could not muster the 51 votes to kill it outright. Using prerogatives of the majority, Majority Leader Bill Frist (R-Tenn.) and Senate Appropriations Committee chairman Ted Stevens (R-Alaska) ultimately rolled the District

parents who are upset about education.”

Those who question Williams’s decision to support vouchers argue that the promises of greater aid to public education are nothing more than a short-term sweetener to win passage of programs that may erode support for public

to select voucher recipients chose first from among students in 15 D.C. public schools that failed for two years to meet goals under the federal No Child Left Behind Act, about one in six D.C. children who will receive tuition grants are students who already attend private school. The Fund also announced that 50 private schools have agreed to participate.

Private schools are having to adjust to the new world of federal funding. Under the law, they can apply their own admissions criteria and placement tests to voucher students. They can also raise their tuition as long as they demonstrate in writing that any annual increase of more than 10 percent is warranted. Schools must submit tuition and fee schedules, comparative data to help parents select sites for their children, and documentation showing lawful operation such as certificates of occupancy, independent financial audits, and compliance with D.C. health, safety, and fire codes.

Meanwhile, the Catholic Archdiocese of Washington, whose private school system is expected to provide the bulk of the seats for new voucher students and which was involved in passing and developing the program, is seeking additional money, noting that their tuition rates on average cover only about 50 percent of the system’s costs to educate each child. Voucher administrators are ironing out such key details as what fees to cover under the program, while making sure that voucher students are charged no more than other pupils.

For most Washington schoolchildren headed back to class this fall, any change in their lives as a result of the 2003 voucher battle in Congress will remain remote. When fully phased in, the \$14 million-a-year voucher program is expected to serve about 2,000 students, a small portion of the roughly 80,000 children enrolled in the city’s regular and charter public schools.

Spencer S. Hsu is a reporter for the Washington Post.

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measure into a catchall federal spending bill and defied Democrats to risk a government shutdown. Opponents took comfort in the fact that the Senate never voted directly on the voucher provision. Nevertheless, the measure was passed on January 22 and quietly signed by Bush the next day.

The Fallout

Meanwhile, in Washington, the fallout from the program lingers. According to a November 2003 poll for two Washington radio and television stations, Williams’ approval ratings among D.C. Democratic voters plummeted to 45 percent, compared with 64 percent among residents at large in 2002. Mayoral aides blamed the drop in part on the voucher fight and his bucking Democratic Party orthodoxy. The Washington Teachers Union has withdrawn its support, and Williams faced a nascent recall effort early this year.

The mayor appears unfazed, although his broader education reform initiatives have been rejected by the city council. “This is not a partisan issue. It’s not Republican, it’s not Democratic, it’s for the kids,” Williams reflected about his voucher stance. “What percentage of kids in public schools in D.C. are African-American? I’ve got to believe, it’s not just suburban

schools, a penny ante in a broader contest over billions of dollars in government education spending. The mayor’s change of heart notwithstanding, they say the outreach to African-American urban leaders is politically motivated and will fall short, just as the Republican Party has failed to win over black voters with its choice of issues and leaders for 30 years.

To school choice movement veteran Nina Rees, the decision to provide more funding for public schools as well as vouchers for private tuition was a virtue. It shifted the debate to focus on improving education for young people, said Rees, not the mechanism by which they are taught.

“Public education isn’t so much who provides it, as much as who pays for it,” said Jim Blew of the American Education Reform Council. “The goal is not to decide where students get educated—it’s whether they get educated.”

As for the voucher program, organizers announced in June that about 1,200 low-income children (out of 2,600 applicants, 1,700 of whom were eligible) will receive vouchers this fall. The Washington Scholarship Fund, a nonprofit supported by Robert that has raised private funds to help provide tuition scholarships for private school students, was selected by the Department of Education to administer the effort. While a lottery