

May 9, 2003

**Memorandum**

To: Members of North Carolina's Congressional Delegation  
**Re: Funding of Full Costs of No Child Left Behind  
Legislation**  
From: The Education: Everybody's Business Coalition

The Education: Everybody's Business Coalition has worked for nearly a decade in support of higher standards and school improvement in North Carolina. The member organizations of the Coalition include:

**NC Association of School Administrators  
NC Business Committee for Education  
NC Citizens for Business & Industry  
NC Council of Chamber of Commerce Executives  
NC School Boards Association  
Public School Forum**

As the impact of No Child Left Behind legislation becomes clear, North Carolina faces one of the most daunting educational challenges in history. Based on previous years' testing data it is likely that as many as 1,200, over half of the state's 2,200 schools, will be labeled "Needs Improvement" under the new federal law. Ironically, this will occur after a decade in which North Carolina was singled out by national groups as a national leader in improving student performance. For our state to maintain its position as a national leader, Congress needs to address two issues.

- 1) The No Child Left Behind legislation has weaknesses that could be easily remedied and, if left undone, will needlessly inflate the failure rate of schools and potentially lead to a loss of public confidence in the legislation and/or in the public schools.
- 2) The successful implementation of the bill will require additional resources and those must come from Congress. Without additional federal dollars neither local schools nor the State Department of Public Instruction have the capacity to meet the mandates of No Child Left Behind.

### **Weaknesses in the Current Legislation:**

- \* The goal of having 100% of students with Limited English Proficiency is a mathematical impossibility. Once a student becomes proficient in English he/she is removed from the category and replaced by a new immigrant who lacks proficiency in English. If the goal were to be altered by holding schools accountable for the pace at which they move students from limited to proficient schools would have a goal that is achievable. As it is, this is not what in business would be termed a “stretch goal;” rather, it is an impossibility.
- \* The same mathematical impossibility exists in the Students with Disabilities category. While schools could, and should, move students with mild disabilities (e.g., attention deficit) to standard, the same cannot be said about students with profound disabilities. Once again, were the law to make distinctions between students based on the severity of their disability, the goal of No Child Left Behind would be achievable; otherwise, it too is a mathematical improbability.
- \* Finally, for high population growth states like North Carolina the rigidity of the definition of “highly qualified” teachers is only going to make it more difficult to recruit and retain qualified teachers – especially out-of-state teachers, a category which fills roughly one-third of North Carolina’s new teacher needs. No one can disagree with the legislation’s goal of having all children taught by highly qualified teachers; however, the rigidity by which this portion of the bill is being interpreted could make it more difficult, not easier, for fast growing states like North Carolina to reach the goal.

### **Funding Issues in the Legislation:**

- \* Current estimates based on previous years of testing experience indicate that as many as one-half of North Carolina’s 2,200 schools could be labeled “Needs Improvement” because of low performance of one or more of the nine sub groups of young people in the No Child Left Behind legislation. Currently, the state’s Department of Public Instruction has become quite adept at turning around low-performing schools; however, they attempt to do this in only 15-20 schools per year and have found that it is a labor-intensive job. To provide the technical assistance called for under the law to hundreds of Needs Improvement schools is simply an impossibility without additional resources.
- \* In like fashion, No Child Left Behind legislation requires departments to monitor whether teachers and teacher assistants meet the law’s “highly qualified” standard. This will require another layer of data collection and analysis and funding is not provided in the law.

### **Funding Issues (cont.):**

- \* Still at the State Department level, No Child requires states to determine whether federal dollars are being used to support “high quality” staff development programs. In North Carolina, as in many other states, control over staff development funding has been decentralized and is the purview of school improvement teams in 2,200 schools – each of which has its own approach and view of staff development. Creating quality measures to be used as filters to insure that staff development meets “high” standards will not be done easily, or cheaply. The bill contains no funding to establish quality controls.
- \* At the local school system level, the potential costs of meeting the standards of No Child Left Behind are considerable. At-risk student sub groups will need smaller classes, extended day programs, intensive summer school work and much more. The bill is completely silent on the obvious financial implications of the legislation for local schools and counties.
- \* Finally, Title I schools that remain in “Needs Improvement” status for consecutive years will be responsible for potential costs related to bussing students who exercise their school choice options and for reimbursing private tutorial programs for costs related to students who exercise choices under the plan. While federal Title I dollars may be used to offset some or all of these costs, it is important to note that dollars now being spent on student services will in the future have to be diverted to costs associated with the consequences of No Child Left Behind. It is misleading to say that federal dollars are available for these costs. It is more accurate to say that schools will have to “rob Peter to pay Paul” and the impact will fall on low-income students receiving less services.

It should be obvious by now that the Coalition has real concerns about both weaknesses in the legislation and about unfunded mandates falling on state and local governments that are already reeling under the impact of today’s economic slump.

While the Coalition wholeheartedly supports the goals and intent of No Child Left Behind legislation, we are fearful that the transition ahead will be needlessly difficult and that state and local governments will be left to carry the bulk of the real costs of the legislation as they have the federal government’s intended share of IDEA (i.e., special education) funding since the bill was enacted.

We respectfully ask that you and your staff look more deeply at these issues and others related to the No Child Left Behind legislation. In the meantime, if the Coalition could meet with you or your education advisors to provide a better picture of the impact of the bill, we stand ready to work with you.

