



# *From The Center Out*

*The Newsletter of the North Carolina Center for Public Policy Research ... A voice for good government  
September-October-November 2003*

## **ISSUES WHERE RACE, ETHNICITY, AND STATE GOVERNMENT INTERSECT**

The 2000 Census showed just how diverse a state North Carolina is becoming. We are now 70.2 percent Caucasian, 21.4 percent African American, 4.7 percent Hispanic/Latino, 1.4 percent Asian, 1.2 percent Native American, and 1.1 percent other. The Hispanic population grew 394 percent since 1990 to 378,963 in 2000, and the Asian population is the second fastest-growing ethnic group. These dramatic demographic changes are just one of the reasons why the N.C. Center for Public Policy Research decided to examine issues where race, ethnicity, and state government intersect in the next issue of *North Carolina Insight*.

Another reason for this focus is the consistent finding of gaps between the races in areas such as education, health care, income, housing, etc. For example, although the so-called education “achievement gap” has closed significantly, scores for African Americans on state academic achievement tests and on the national SAT (Scholastic Aptitude Test) lag behind those of whites, while Asians typically score highest. In health care, the black infant mortality rate is 15.2, more than double the white infant mortality rate of 6.1 per 1,000 births.

This issue of *Insight* will open with a look at the demographic shifts in North Carolina’s population revealed by the 2000 Census. Then we’ll examine where North Carolina’s racial and ethnic groups stand on a broad range of outcomes – not just in education and various measures of health status, but also in income, poverty, housing, Internet access, voter turnout, and criminal arrests and convictions. We’ll also examine what the state is doing to close any gaps we find, as well as state government’s record in three areas – (1) appointments of minorities to state boards and commissions, (2) contracting with minority businesses, and (3) hiring for jobs in state government.

From there, we’ll look at polling data to see how differently blacks and whites view various public issues, how government should respond, and prospects for the future. For example, in a 2000 CBS News poll, 64 percent of African Americans said that improving race relations was one of the most important things the United States needs to do for the future, compared to 29 percent of whites. In that same poll, 74 percent of whites, but only 55 percent of blacks, said that since the 1960s, there has been “real progress” in eliminating racial discrimination.

This theme issue of *Insight* also will take a look at the five public historically black universities within the 16-campus University of North Carolina system, as well as UNC-Pembroke, which was originally founded in 1887 for the education of Native Americans. North Carolina has more *public* historically black colleges and universities (HBCUs) than any other state – with Elizabeth City State University, Fayetteville State University, N.C. Central University in Durham, N.C. A&T State University in Greensboro, and Winston-Salem State University. Maryland is second with four public HBCUs.

This unique look at issues where race, ethnicity, and state government intersect is scheduled for publication in January. If any Center member wants to volunteer to review draft articles, just call Mike McLaughlin at (919) 832-2839 or email him at [mikemcl@nccppr.org](mailto:mikemcl@nccppr.org). This is a way for Center members to be involved in making sure all points of view are covered and all facts are accurate. We take all comments very seriously.

# We want your input!

We want your ideas on topics and priorities for future research and studies. Please tell us what you think and why. Also, please review the schedule below of projects tentatively approved by our Board of Directors and tell us what you think and which of the proposed topics deserve priority. Thank you for sharing your ideas. Send comments to Ran Coble, Executive Director, P. O. Box 430, Raleigh, NC 27602, or email him at [rancoble@nccppr.org](mailto:rancoble@nccppr.org) by December 31, 2003.

## Accomplished in 2002

### Major Research Reports

“Public Higher Education Governance: A Comparison of State Structures and Key Trends” in The Book of the States 2002

Effectiveness rankings of members of the 2001-2002 General Assembly

Rankings of the Most Influential Lobbyists in the N.C. General Assembly

### North Carolina Insight Magazine

Theme Issue: Eastern NC, Part I -

(1) How does the East compare with the rest of the state?; (2) infrastructure in the East; (3) lessons to be learned from Hurricane Floyd; and (4) opportunities and challenges facing the East

General Issue, featuring:

1. Evaluation of charter schools
2. Effects of home schooling, charter schools, and private schools on public schools
3. Use of cell phones while driving

### Other Programs and Activities

1. 25<sup>th</sup> Anniversary Celebration: “An Evening with Four Leaders for N.C.’s Future”
2. Briefings for policymakers
3. 12 monthly radio programs on WPTF-AM
4. 8 appearances on “North Carolina Now”
5. Election analysis on 90-station N.C. Radio News Network

## 2003

Higher Education Study, Part III –An analysis of:

- (1) the powers of the UNC Board of Governors,
- (2) the process of election of the Board by the legislature and the pros and cons of this and alternatives; and
- (3) the allocation of powers among the Board of Governors and the 16 local campus Board of Trustees

*Article II: A Guide to the 2003-2004 N.C. Legislature* (14<sup>th</sup> edition)

General Issue, featuring:

1. Election laws and voter participation
2. Citizen participation and civic education efforts
3. What makes a lobbyist effective?

Theme Issue: Issues Where Race, Ethnicity, and State Government

Intersect: To examine where there are racial and ethnic differences in outcomes in education, health status, income, poverty, criminal arrests and convictions, housing, Internet access, and other areas. What should state government do to close any gaps we find?

1. 12 monthly Center radio programs on WPTF
2. Appearances on “North Carolina Now” on statewide public television
3. Speeches and public appearances
4. Briefings for policymakers on Center research

## 2004

### Major Research Reports

Higher Education Study, Part IV: Evaluation of How Well the UNC Board of Governors Has Performed Its Duties Over the Last 30 Years

- (1) Teaching, research, and public service: How has each mission fared under the Board?
- (2) Funding the 16 universities: Has the Board of Governors allocated money fairly and equitably among the 16 constituent institutions?
- (3) Access to higher education: Has N.C. provided access to affordable education?
- (4) Program allocation and duplication: How well has the Board addressed new program proposals and eliminated duplicative programs?

Effectiveness rankings of members of the 2003-2004 General Assembly

Rankings of the Most Influential Lobbyists

### North Carolina Insight Magazine

General Issue, featuring study of family violence issues

General issue, featuring study of teacher shortage in N.C.

### Other Programs and Activities

1. Special Event: “An Evening with 4 Political Campaign Consultants”
2. 12 monthly radio programs on WPTF
3. Election analysis on 90-station N.C. Radio News Network
4. Appearances on “North Carolina Now” on statewide public television

## 2005

N.C.’s Tax Structure and Tax Policy

*Article II: A Guide to the 2005-2006 N.C. Legislature*

General Issue, featuring study of Community Colleges in N.C.

Theme Issue: Eastern NC, Part II- (1) the future of agriculture in the East; (2) the benefits and liabilities of military installations in the East; and (3) whether a Marshall Plan is needed for the East

1. 12 monthly Center radio programs on WPTF-AM
2. Appearances on “North Carolina Now” on statewide public television
3. Speeches and public appearances
4. Briefings for policymakers on Center research

# 10 KEY ISSUES IN PUBLIC EDUCATION

By Ran Coble

What are the key issues facing public education over the next few years? Here are a few thoughts about the significant challenges ahead.

1. **Accountability**: The public is very interested in the issue of accountability for student performance in public schools. How do we know students are learning more? The state's own ABCs testing and accountability program is about to cross paths with the federal No Child Left Behind Act, which carries strict accountability requirements of its own. Under the federal law, academic progress is measured using the state's end-of-grade reading and math exams. But the federal act also requires measurement of academic progress or subgroups within a school along lines of race, family income, and other factors. A school meets federal standards only if each subgroup makes the academic progress necessary to get 100 percent of the students at grade level by 2014. In the first evaluation under the federal standards released in July 2003, less than half of all schools in North Carolina met the federal standards. Will these separate state and federal evaluation programs be compatible? Some "Schools of Distinction" under the state program will be labeled "needs improvement" under the federal program. This could confuse the public and erode support for the public schools. Another question here is whether the federal government will keep its promise to pick up the tab for the extra costs associated with No Child Left Behind. History says it's not likely. For example, 30 years ago, Congress passed the Individuals with Disabilities Education Act (IDEA) and promised that the federal government would pay 40 percent of the cost. Last year, Congress provided only 16 percent of the IDEA costs, which was the highest amount ever, but still far short of the federal promise.

2. **Equity in Educational Opportunities and Funding Among School Districts**: Questions of equity surround rich and poor districts, rural and urban districts, and large and small districts. There are broad differences in ability to pay and spending patterns among N.C.'s school districts. The 10 highest spending counties spend \$2,643 more per student than the 10 lowest spending counties, according to a 2002 Public School Forum report. And that gap is widening, according to studies by the Forum and by the N.C. Center for Public Policy Research in 1984, 1985, 1989, and 1997. This issue is in court now in what is called the *Leandro* case, in which the state Supreme Court ruled in 1997 that every child has a right to a "sound basic education." The original lawsuit was filed against the state in 1994 by five poor and largely rural school systems that claimed inadequate funding. The state currently is appealing an order issued a year ago by Wake Superior Court Judge Howard Manning Jr.. Manning said the state is ultimately responsible for ensuring that the neediest students have an opportunity for a "sound basic education" guaranteed by the state's constitution. This case is key to sorting out equity issues in the state's public schools.

3. **Sources of Revenue for Public Schools**: The big problem here is that the local share of public school funding is heavily dependent on the property tax, which is the most unpopular tax with the public. The Center for Public Policy Research previously has suggested four options for modernizing local revenue structures, including that the state legislature authorize a menu of revenue sources for counties to choose among. This issue is related to the need to update the state's tax structure to get it in line with a modern economy.

4. **Teacher Shortage**: Currently, North Carolina employs 84,000 teachers in its public schools. However, the N.C. Department of Public Instruction estimates the state will need 100,000 new teachers over the next 10 years. This is due to (a) the sharp increase in projected school enrollment originating with the children of the Baby Boom generation reaching school age, (b) Governor Mike Easley's efforts to reduce class size, and (c) migration into the state. Though we'll need 10,000 teachers a year over the next 10 years, teacher education programs at the state's public and private colleges and universities combined now produce only 3,300 teachers a year. Of these, only 2,100 ended up teaching in North Carolina. However, North Carolina's problem is not only one of recruitment and training of teachers, but also retention. The average teacher turnover rate each year is 12.5%, and 45% of our teachers leave within their first five years of teaching.

**5. The Public's Confidence in Public Schools:** According to a study in the April 2002 issue of *North Carolina Insight*, the number of students in the state's public schools has increased by 19 percent over the last 10 years – less than the 24 percent increase in the state's school-age population over the same time period. Meanwhile, enrollment in alternatives to the public schools has increased exponentially. Home schooling has increased by 720 percent, while enrollment in private religious and secular schools has grown by 68 percent. And, a new kind of public-private partnership – the charter school – has come on the scene, enrolling 15,833 students in 98 charter schools since the first schools opened in 1997. There is strong evidence that the public still supports its public schools – as indicated by increasing confidence in public opinion polls in North Carolina and the fact that three-quarters of the 91 bond referenda proposed for school construction were approved by voters between 1991 and 2001. Yet, the state may be approaching a tipping point where support for public education could erode rapidly, leading to flight from the public schools for those who have other options.

**6. Race in Education:** A recent Harvard University study has documented the resegregation of the public schools at the same time that increased attention is being brought to bear on the gap in achievement test scores between the races. The Harvard research findings indicate that African-American students perform better in racially balanced schools and that performance of white students does not suffer, yet the return to racially segregated schools continues apace in much of North Carolina.

**7. The Politics of Pre-School Programs:** Gov. Jim Hunt pushed his Smart Start early childhood initiative in all 100 counties, while Governor Mike Easley has gained expansion of his More At Four program for at-risk four-year-olds. But these pre-school programs face political challenges because they have been the centerpiece programs of two Democratic governors. As Republicans gain ground and possibly eventual control in the legislature, there may be efforts to cut, consolidate, or eliminate Smart Start and More at Four. In the 2003 legislative session, the legislature cut Smart Start for the second year in a row, but approved an \$8.6 million expansion of More At Four.

**8. N.C.'s Record in Sustaining Public School Reforms:** Of 10 state efforts in school reforms in an 18-year period, the Center's research indicated that the state abandoned or failed to implement half of these reform efforts before evaluating or fully funding them. The ABCs program represents the best sustained effort so far, but Superintendent of Public Instruction Mike Ward is not running for re-election, and former State Board of Education Chair Phil Kirk – a champion of the ABC program – already has stepped aside. And, 51 of the state's 170 legislators are new this year, so they do not have the institutional memory of state efforts to develop reforms that work and maintain public support. These changes in education leadership and turnover in the legislature pose a challenge for sustaining current reforms.

**9. The Courts are making public policy and setting budget priorities almost as much as the executive and legislative branches of government:** Over the last few years, the state has lost court suits on the intangibles tax, taxing of retirement benefits, an auto finance case, and disposition of money from fines and forfeitures. Altogether, these suits cost the state about \$1.3 billion in revenue. And more suits have been filed on issues such as redistricting, school finance (the *Leandro* case mentioned above), transfer of money from the Highway Fund to help solve the state budget problems, and the state's withholding of local government reimbursement money.

**10. Demographics:** The Baby Boomers' children and their children (the "Baby Boom echo") are fueling huge growth in the state's public school population. The U.S. Department of Education says North Carolina will have the fourth largest percentage increase in grades K-12 enrollment of any state by 2010. This will create an additional need for more teachers. Besides the growth in the number of students, the state's population also is becoming increasingly diverse. The 2000 Census revealed a 400 percent increase in the state's Hispanic/Latino population over the course of the decade. That foretells an increase in the need for teachers of foreign languages and of English as a Second Language. For all of these reasons, public education policymakers will face political, budgetary, and leadership challenges in the coming decade.

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As a Center member, you'll soon receive a letter in November asking you to make a year-end gift—and a summary of what you've helped us accomplish this year. We hope this gives you a reason to give. If you don't want to wait until you receive your letter, you may use this form to make your year-end contribution.

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