

State Update

Seven Out of 10 Students Now Meeting State Standards

There's good news for Pennsylvania schools – seven in 10 students now meet state standards in math and reading on the Pennsylvania System of School Assessment (PSSA). Twenty-nine percent more students are on grade level compared to 2002, and historically low-achieving schools are driving the progress.

Among the notable gains in this year's PSSA results:

- *Student achievement has increased in every subject, at all grade levels and for all ethnic, racial and economic groups of students since 2002.*
- *72 school districts have increased the proportion of students who are on grade level by at least 40 percent over the past six years.*
- *In 5th, 8th and 11th grades (the grades Pennsylvania has tested the longest), the proportion of students on grade level in math has increased from 52 percent in 2001-02 to 66 percent in 2007-08.*
- *During the same period, the proportion of students on grade level in reading has increased from 58 percent in 2001-02 to 68 percent in 2007-08.*

- *479 school districts have a majority of students on grade level in 2007-08, compared to 375 school districts in 2001-02 – an increase of nearly 30 percent.*
- *The number of students scoring “below basic” (the lowest performance level) has shrunk by 38 percent, while the number scoring “advanced” (highest level) has grown by 88 percent.*
- *The achievement gap has narrowed by an average of 26 percent for African-American students, 20 percent for Latino students and 23 percent for low-income students.*

The 2008 PSSA results underscore how students in under-funded schools tend to face greater challenges in making academic gains. School districts with the largest funding gaps have an average of 78 percent more students below grade level than districts that have adequate funding. In addition, 68 percent of students who are “below basic” attend school districts with a shortfall of at least \$2,000 per pupil.

High schools also continue to be an area of concern when it comes to increasing academic achievement, according to Education Secretary Gerald L. Zahorchak. Two out of every five Pennsylvania high school students are below grade level, while

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independent research shows that students who score proficient in 11th grade are far more likely to succeed in college. Zahorchak said schools that continue to struggle share some key characteristics, including:

- *They are under-funded – three quarters of school districts that did not make AYP have an adequacy shortfall of at least \$2,000 per pupil.*
- *Their high schools have low achievement – more than half of Pennsylvania’s high schools did not make AYP this year.*

Information on this year’s PSSA and AYP results, including results for districts and schools, can be found at www.paayp.com. For more information on Pennsylvania’s education initiatives, visit www.pde.state.pa.us.

Step Up for Kids Action Day!

Tuesday, September 16, 2008 • 11:00 a.m.

The Pennsylvania Capitol Building
Main Rotunda, Harrisburg



We all work hard to make children a priority in public policy debates in Harrisburg and Washington. This year, we have a great opportunity to urge all candidates running for office to step up for our kids. This non-partisan event is part of a nationwide effort to draw public attention to issues affecting America’s children, and to support investments in programs

that impact their health, education and well-being. On this day, ALL 50 states will host this event.

Speakers include Joan Benso, president and CEO of Pennsylvania Partnerships for Children; Jerry Oleksiak, treasurer of the Pennsylvania State Education Association (PSEA), Jeff Hunsicker, legislative director at SEIU, and Shelly Yanoff, executive director of Public Citizens for Children and Youth.

Show the candidates that we’re stepping up for kids! To find candidates in your area, log onto www.dos.state.pa.us/elections.

For more information or to find out how you can get involved, please contact Leslie Suhr at lsuhr@papartnerships.org.

Good News, Bad News from U.S. Census

In 2007, the number of uninsured children in the country fell by 500,000 to 8.1 million, according to data released Aug. 26 by the U.S. Bureau of the Census. Increased investments in programs such as Medical Assistance in PA and the State Children’s Health Insurance Program (SCHIP) were partly responsible for this forward progress in children’s health.

But new data from the U.S. Census Bureau also show 500,000 more children living in poverty than last year. The fact that child poverty rose in every state underscores that poverty exists in rural areas – not just cities – as well as disparities within states.

The new Census figures revealed that 11.6 percent or 1,393,026 million Pennsylvanians lived in poverty last year – a poverty rate that was statistically decreased from 2006. But the child poverty rate of 15.9 percent reflects a statistically significant increase from 2001 when the rate was 14.8 percent.

Tutoring Grants Announced

Thousands of students in 175 academically challenged school districts and career and technical centers will benefit from tutoring programs in



2008-09 thanks to investments through the state's Educational Assistance Program.

The 2008-09 education budget includes \$65.1 million for tutoring services targeted to eligible students enrolled in seventh through 12th grades in 163 school districts and 12 career and technical schools. In all, the program will result this year in increased instructional time for more than 172,000 students who are not testing at grade level in math or reading on the PSSA.

Tutoring programs offered through the Educational Assistance Program provide additional learning time before, during and after school, as well as on weekends, to help accelerate learning for students whose academic performance lags significantly behind their peers. The tutoring services are conducted using an evidenced-based instructional model that is aligned with the state's academic standards and the curriculum in the student's classroom, while also ensuring it meets each student's needs.

The program began in the 2003-04 school year to provide increased instructional support for almost 35,000 students in 82 of the state's most academically challenged districts. Given the increases seen in student performance on statewide reading and math exams, the program was expanded for the 2005-06 school year to reach 163 school districts and 12 career and technical centers that continue to be served.

Under the Educational Assistance Program, school districts have the flexibility of providing the tutoring, partnering with an approved community provider, or doing both as long as the tutoring is effective in helping students meet proficiency.

More Kids Enrolled in Pre-K this Year

Pennsylvania Pre-K Counts will serve 11,800 3- and 4-year olds in FY 2008-2009. The second year allocation of \$86.4 million will be used by 162 grantees to provide Pre-K Counts in 62 counties.

In addition to sustaining programs, 16 new grants were awarded and 30 grants will expand existing programs. Pennsylvania Pre-K Counts is provided through a mixed delivery system that includes school districts, Head Start and child care programs that have achieved a STAR 2 or higher through Keystone STARS. More information about the program and a list of grantees is available: http://www.pde.state.pa.us/early_childhood/cwp/view.asp?a=316&q=125765&early_childhoodNav=|10773|&early_childhoodNav=|.

Torsella Named Chairman of State Board of Education

Joseph M. Torsella has been named as chairman of the State Board of Education by Governor Rendell. Torsella joined the board earlier this year.

“The State Board of Education is embarking on major initiatives that will impact students for years to come. For example, the Board recently made changes to require the state's colleges and universities to better prepare students to be the next generation of teachers, updated state academic standards and improved state policies that address educational programs and services for students with disabilities. Joe will be terrific in implementing the new changes,” said Governor Rendell.

Torsella has served as President and CEO of the National Constitution Center since June 2006, securing and advancing the museum's place as one of America's most vital and dynamic institutions. He succeeds Karl Girton, who resigned as State Board of Education chair.

Update to Child Protective Services

Effective September 1, 2008, all new family child care (FCC) and unregulated child care providers (Family, Friend, & Neighbor – FFN) receiving subsidized child care payments are required to comply with the FBI fingerprint clearances within 30 days. Existing FCC & FFN providers will be “grandfathered” in at their next required registration



date – FCC & FFN providers must re-register every two years. The FBI clearance costs \$35, child abuse clearances and PA criminal history checks are each \$10.

- 72 percent fewer convictions of mothers at child age 15.

Tuition Hikes at State Schools

Students attending the 14 state-owned universities are paying 3.5 percent more for tuition this fall. The Board of Governors for the State System of Higher Education voted to raise tuition by \$181 to \$5,358 a year for Pennsylvania undergraduates attending the 14 state-owned schools. The increase was part of a \$1.4 billion operating budget for 2008-09.

Grants to Help Low-Income, First-Time Parents

To help improve the lives of low-income, first-time parents and their children, the Department of Public Welfare is awarding \$12 million in grants to support the Pennsylvania Nurse-Family Partnership program. Approximately 4,000 first-time mothers and their children will receive the benefits of in-home parent coaching services.

Through the program, registered nurses make regular visits to low-income, first-time mothers from pregnancy until the child is two years old. Registered nurses work with the expectant mothers to ensure a healthy pregnancy, to engage in activities with the baby that will promote healthy development, and to make plans for the future.

For more than 30 years, the national model of the Nurse-Family Partnership program has shown substantial and consistent results related to child health, child abuse and neglect, crime reduction and school readiness, including:

- 48 percent reduction in child abuse and neglect;
- 56 percent reduction in emergency room visits for accidents and poisonings;
- 59 percent reduction in arrests at child age 15;
- 67 percent reduction in behavioral and intellectual problems at age six; and

PLEASE REMEMBER TO VOTE ON NOVEMBER 4

All seats in the Pennsylvania House of Representatives and half of those in the Pennsylvania Senate will be up for election this year. All Pennsylvania seats in the U.S. Congress will be up for election as well.

2008 General Election – Key Dates

Last day to REGISTER before the General Election October 6

Last day to apply for a civilian absentee ballotOctober 28

Last day for County Boards of Elections to receive voted civilian absentee ballots October 31

Career Counseling Grantees Announced

The Pennsylvania Department of Education announced the recipients for the college and career counseling grants in 2008-09. This \$3 million investment will allow 33,000 students in 19 school districts to receive help with academic and career planning prior to post-secondary activities.

The grants support changing and enhancing school districts' approach toward career exploration, career development, career-oriented mentoring, student support for career goal setting and student course selection.

Classrooms for the Future Grants Awarded

The Pennsylvania Department of Education released the list of recipients of the 2008-09 Classrooms for the Future (CFF) grants. This year's grants will put



laptops on the desks of students in 182 high schools in 152 school districts. To date, 543 high schools in 453 school districts are participating in the CFF program and 500,000 students will benefit from the targeted technological investment to reinvigorate Pennsylvania's high school classrooms. It is anticipated that the program will continue for into the 2009-10 fiscal year, as funding for CFF was reduced from \$90 million in 2008-09 to \$45 million in order to account for reduced state revenues.

IRCC Comments on End of Course Exams; PDE takes action

The Independent Regulatory Review Commission (IRRC) issued comments on the State Board of Education's proposed regulations regarding the development of end-of-course exams to assess student proficiency for high school graduation. IRRC raised questions about the Board's statutory authority to establish high school graduation requirements and also questioned the rationale for the proposed changes. Before it moves forward, IRRC asked the State Board "for a more thorough explanation of why the current system is not adequate to address the problem the proposal seeks to address," and said the State Board should consider making changes on a case-by-case basis, rather than a statewide mandate, if it determines regulatory changes are necessary.

Subsequent to the IRRC comments and the enactment of Act 61, which prohibits the State Board of Education from undertaking further action during the FY 2008-09 on its proposal to change Pennsylvania's high school graduation requirements, the Department of Education (PDE) is requiring all school districts to provide samples of their local assessments. Specifically, PDE requested that the school districts submit the following documents used by districts for the graduating class of 2007-08:

1. *A list of local assessments in Reading and Math for those students who did not measure proficient on the PSSA in;*

2. *A sample copy of each listed assessment; and*
3. *A rubric, student guide, or scoring guide if such assessments include projects or portfolios.*

PDE will spend the next several months cataloging and analyzing districts' assessments in both reading and math to determine whether they are aligned with the Commonwealth's academic standards. In response to concerns by school districts, PDE extended its deadline for submission of this information from August 30, 2008 to September 15, 2008. A more detailed follow-up on the initial analysis of a sampling of districts' assessments is a possibility in the coming months.

Under current regulations, students must demonstrate achievement of the state academic standards by either scoring proficient or above on the PSSA or a local assessment that is aligned to the state standards. PPC's research showed that 44 percent of all 2007 high school graduates failed to demonstrate proficiency on the PSSA. These students came from 473 school districts all across the Commonwealth – urban, suburban and rural. In addition, in data reported to PDE by Pennsylvania's 14 community colleges, about 53 percent of first-year community college students (18-21 years old and recent high school graduates) required remediation upon enrolling in the fall semester of 2007. Compounded with high number of students who failed to demonstrate proficiency on the PSSA exams, PDE's review of school districts' assessments is long overdue and badly needed.

CHIP Enrollment Continues to Climb

In August, CHIP enrollment increased to 174,634, a 6.4 percent increase since August 2007. The CHIP enrollment has grown for 10 consecutive months. While Free CHIP declined slightly to 150,612, Reduced-Cost Chip enrollment climbed to 22,466 and At-Cost increased to 1,556. There were 8,861 children enrolled in CHIP who would not have been eligible before Cover All Kids.



State Revenue Update

The Department of Revenue reported that the Commonwealth collected \$1.7 billion in General Fund revenue in August. This is \$117.5 million or 6.6 percent below the official estimate. Fiscal year-to-date collections total \$3.4 billion, which is \$117.6 million or 3.3 percent, below the official estimate.

Fall General Assembly Session Days

The Senate will be in session Sept. 16-18, 22-24 and October 6-8. The House will be in session Sept. 15-17, 22-24; Oct. 6-8 and Nov. 12, 13, 17-19, 24, and 25.

Federal Update

Bill Would Protect College Students' Health Coverage

College students who become seriously ill would not be required to maintain a full class load to ensure they do not lose their health coverage under legislation approved by the House Energy and Commerce Committee.

The legislation, known as “Michelle’s Law,” would address what supporters say is a loophole in current law that allows health insurers to drop coverage of college students covered by their parents’ health insurance if those students have to leave school to battle a serious illness.

The measure is named after Michelle Morse, a full-time student at Plymouth State University in Plymouth, N.H., who was forced to continue taking a full load of classes while battling colon cancer to keep from losing coverage under her parents’ health insurance. Morse, who was advised by her doctors to cut back on her studies, died while trying to fight the disease and continue classes in order to maintain her health coverage. The bill would allow students battling a doctor-certified severe illness to take a one-year leave of absence from school and maintain coverage under their parents’ insurance.

Update on Efforts to Thwart SCHIP Directive

Senate Finance Committee Democratic leaders and a bipartisan group of 39 other senators proposed a

resolution to stop an administration policy set to take effect that lawmakers say will jeopardize children’s health care.

The Centers for Medicare and Medicaid Services (CMS) issued the SCHIP Directive last year that sets high standards for states seeking to cover children through the State Children’s Health Insurance Program in families earning more than 250 percent of the federal poverty level.

Lawmakers claim the move is an administration effort to thwart states attempting to expand low-income SCHIP coverage. Lawmakers claim the directive should be nullified because it is an agency rule that is subject to congressional review.

The resolution was not considered before Congress began its August recess, which meant that the Directive was on track to take effect on August 17. Just days before the effective date, CMS announced that it would not seek sanctions against states for not complying with the Directive and so states were not under any immediate threat of losing federal funding.

Prior to the announcement, the Commonwealth of Pennsylvania had been engaged in ongoing discussions with CMS to demonstrate its compliance with the Directive.



Busy Agenda Awaits Congress

Congress reconvenes on September 8 following its August recess. The House and Senate will have a short three-week time frame during which it must address several critical issues. The 110th Congress is targeted to adjourn on September 26. Following is a short run-down on key issues of interest

FFY 2009 Appropriations – Only a few appropriations bills are moving through the approval process in Congress. Unfortunately, the House and Senate Labor-HHS –Education Appropriations Bills, which funds many programs important to Pennsylvania’s children, have not even received floor votes in their respective chambers. With the new federal fiscal year beginning on October 1, many congressional observers expect Congress to pass a continuing resolution to fund the federal government through some portion of the new calendar year, thereby giving the new President and 111th Congress (which will be seated in January) an opportunity to approve appropriations bills for the remainder FFY 2009.

Tax Extenders – Congress is working to finalize legislation that would extend certain taxes and tax breaks before wrapping up the 110th Congress. Of prime importance to PPC is expanding and improving the Child Tax Credit (CTC). The CTC is a \$1,000 per-child tax benefit intended to help working families defray some of the costs associated with raising children. What is not widely understood is that, because of the way the credit is structured, it currently shuts out many of the children whose families face the greatest financial hardship. This year, families will not receive any benefit from the CTC unless their incomes exceed \$12,050. To receive the full benefits of the credit, families need much higher incomes; a married couple with two children, for instance, would need an income of at least \$25,000 – nearly twice what full-time minimum wage work pays. As a result, millions of low-income working families with children are unable to benefit in full or at all from the CTC.

A provision of tax extenders legislation under consideration would reduce the CTC threshold to \$8,500 for 2008. This provision would extend the benefits of the credit to 91,659 children in Pennsylvania who would otherwise be ineligible. It would provide an increased tax benefit to an additional 317,510 Pennsylvania children. We are hopeful that Congress will act on the extenders legislation and expand and improve the CTC.

Second Economic Stimulus – In response to a still sluggish economy, Congressional leaders are discussing a second economic stimulus package to provide needed assistance to citizens and state governments. The second stimulus package will help Pennsylvanians deal with the stagnant economy by increasing low-income heating and cooling assistance, increasing food stamp payments, extending unemployment benefits, and providing fiscal relief to states in the form of a temporary enhanced federal Medicaid matching rate. Such a temporary increase is not unprecedented and it would help states deal with rising Medicaid costs that are worsened by the economic slowdown.

Food Stamp Benefits Need Adjustments

During periods of rapid food inflation, the Food Stamp Program’s current rules do not ensure that needy families and individuals receive sufficient support to obtain a nutritionally adequate diet. Food stamp benefits are adjusted annually for food price inflation, but the adjustment is based on lagged data that are four months old at the beginning of the fiscal year and 15 months out of date by the end of the fiscal year.

- *Food stamp benefits for each fiscal year are based on the cost of the “Thrifty Food Plan,” the Department of Agriculture’s lowest-cost nutritionally adequate diet plan, in June of the prior fiscal year.*
- *As a result, in every month of fiscal year 2008, as food prices have climbed, food stamp benefits have been inadequate to enable households to*



purchase the Thrifty Food Plan. By June 2008, the latest month for which USDA estimates are available, the cost of food had increased 8.5 percent since the previous June, and food stamp benefits were \$46 a month below the cost of the Thrifty Food Plan for a family of four. (The maximum food stamp benefit for a family of four with no other income available for food purchases was \$542 a month, while the monthly cost of the Thrifty Food Plan stood at \$588.30).

Food stamp benefits will be adjusted on October 2008 to reflect food inflation for the June 2007 to June 2008 period. But when fiscal year 2009 starts this October, food stamp benefits will again already be four months out of date and will grow more out of date as the year progresses. Congress could address this problem for the coming fiscal year by anticipating the food price inflation that will occur and acting to offset some of it so assistance to needy families and elderly individuals does not again fall short of what is needed to purchase a minimally adequate diet.

Higher Education Reauthorization Approved

On July 31, Congress approved an overhaul of higher education law – the first in more than a decade. Called the College Opportunity and Affordability Act of 2008, the bill reauthorizes the Higher Education Act for five years. It expired in 2003 and has been temporarily extended in the intervening years. President Bush has said he will sign the bill.

The bill seeks to lower tuition costs and streamline the financial aid process. In addition to other things, the legislation:

- *Increases maximum Pell Grant amounts from \$4,800 to \$6,000 in 2009 and up to \$8,000 in 2014;*
- *Requires the Education Department to publish data about college costs;*

- *Requires universities with the highest tuition increases to submit reports to the agency explaining them;*
- *Requires universities to show costs of textbooks in online catalogues so students know the full cost of a course;*
- *Simplifies financial aid forms, cutting an eight-page form with 108 questions down to two pages and 44 questions; and*
- *Requires schools to notify students immediately of emergency situations on campus, a provision introduced after the April 2007 killings at Virginia Tech.*

The bill also establishes a new definition of a “highly competent” early education teacher. This would be the equivalent of a “highly-qualified” K-12 teacher under No Child Left Behind (NCLB). To be considered a “highly competent” early educator, individuals must have:

- *Specialized education and training in development and education of young children from birth until kindergarten entry;*
- *A bachelor’s degree in an academic major in the arts and sciences or an associates degree in a related field; and*
- *Demonstrated a high level of knowledge and use of content and pedagogy in the relevant areas associated with quality early childhood education.*