WHERE DOES THE EDUCATION MONEY GO?

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, many say as California goes, so goes the rest of the Nation. Considering that, I would like to bring to the attention of my colleagues a new study of public education spending in California.

The study reveals that the generally accepted per-pupil spending figure of $6,700 for California students significantly understates the actual per-pupil spending figure that is approximately $8,500. Moreover, two out of five, two out of every five, public school dollars are spent on bureaucracy and overhead rather than on classrooms. Instructions and internal legal squabbles drain education dollars from the system.

The authors, Dr. Bonsteel of San Francisco and accountant Carl Brodt of Berkeley, intended their analysis to be a nonpartisan one.

□ 1300

Bonsteel is a Democrat and Brodt is a Republican.

I will share some of the key findings of the study entitled, ''Where is all the money going? Bureaucrats and Overhead in California's Public Schools,'' together with the authors' proposal for decreasing bureaucracy and enhancing accountability.

First, consider that inflation-adjusted spending on public education in California has increased by 39 percent since 1978. Nevertheless, textbooks are frequently unavailable, school libraries have been shut down, and art and music programs have been terminated. The authors conclude, ''This is primarily because of the explosion in spending on administration and overhead.''

Approximately 40 percent of California's K–12 tax dollars are spent on bureaucracy and overhead, not classroom instruction. This figure comes not just from the Bonsteel-Brodt analysis, but also from previous studies conducted by the Rand Corporation and the Little Hoover Commission.

Four levels of administration run K–12 schools in California, and they act as though they are separate fiefdoms. They quarrel frequently, and often those disagreements end in lawsuits among the bureaucratic fiefdoms, with the taxpayers picking up the tab for lawyers on both sides. The California Department of Education and the State Department of Education maintain legal counsel to sue each other.

This Bonsteel-Brodt study presents a sample State Board of Education agenda listing 30 lawsuits confronting the State Board. Seven of those suits pit one layer of the education bureaucracy against another layer.

In one set of lawsuits, the San Francisco Unified School District and the State Department of Education have squared off over bilingual education. The STAR testing statute mandates that children who have been in the United States at least a year be tested in English, the presumption being they should have learned English by then. But the San Francisco school district contends it must test immigrant students in their non-English native language. San Francisco is the only district making that claim, but taxpayers must cover the cost of that legal spat.

Even more troubling is that special education programs for children with mental and physical handicaps are plagued by bureaucratic gridlock at the Federal, State, county, and local levels, as well as by unfunded mandates from the Federal and State levels. Parents of special-ed children have no effective voice in program decision-making.

Local citizens have diminishing power to influence local school policy, since almost two-thirds of education tax dollars now are funneled through the States. In addition, while the Federal Government furnishes just 6 percent of education funding, its requirements account for close to half of all education paperwork. Lisa Keegan, State Superintendent for Arizona schools, has said it takes 165 members of her staff, 45 percent of the total, just to manage Federal programs.

The Bonsteel-Brodt study notes bureaucracies in all levels ''invariably understate true per student spending.'' At the national level, the figures released by the National Center for Education Statistics are usually the ''current expenditures'' number, which does not account for the cost of school payments or interest payments on school bonds.

In California, the spending statistics are ''even more deceptive,'' the study's authors charge. The all-inclusive and thus more accurate figure for per-pupil spending in California is approximately $8,500 per student, more than 25 percent higher. Using the low figure, the California NEA affiliate has advocated hefty spending increases for the express purpose of raising the State's per pupil spending above the national average.

The best hope for decreasing bureaucracy and enhancing accountability, the Bonsteel-Brodt report concludes, is school choice of various kinds. They note, for example, that California's public charter schools have easily outperformed traditional public schools, while operating on about 60 percent of the per-student funding of conventional public schools. The charters have accomplished this by cutting the bureaucratic overhead.

Mr. Speaker, as we look to solve America's education problems, we must first honestly ask, where does the money go? Only then can we make the right and often tough choices to reform education.

RECESS

The SPEAKER pro tempore (Mr. ISSA). Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 1 o'clock and 4 minutes p.m.), the House stood in recess until 2 p.m.)

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. GIBBONS) at 2 p.m.

PRAYER

The Reverend Thomas A. Kuhn, Church of the Incarnation, Dayton, Ohio, offered the following prayer:

Father, we can never thank You enough for the many blessings You have given to us as a people. You gave all of Your children the same rights as people, and at the same time have given us the means to safeguard those rights. Give us the strength to reach out to those who are unable to safeguard their rights.

You have made us a powerful people. May we always be gentle enough to lift up the fallen, and prepared enough to protect the weak and defenseless.

You have blessed us richly. May we always generously share those blessings with Your children who are poor.

You have given us a beautiful land. May we nurture and preserve it so that those who follow us can always see Your goodness.

Much of what has been given to us has been entrusted to the Members of this great House. Give them a world vision so that they may work for the good of all of Your children. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) come forward and lead the House in the Pledge of Allegiance.

Ms. EDDIE BERNICE JOHNSON of Texas led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

REVEREND THOMAS A. KUHN

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)