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CommonWealth

EDITOR Bruce Mohl

bmohl@massinc.org | 617.742.6800 ext. 105

EXECUTIVE EDITOR Michael Jonas

mjonas@massinc.org | 617.742.6800 ext. 124

MANAGING EDITOR Robert David Sullivan

rsullivan@massinc.org | 617.742.6800 ext. 121

SENIOR ASSOCIATE EDITOR Gabrielle Gurley

ggurley@massinc.org | 617.742.6800 ext. 142

ASSOCIATE EDITOR Alison Lobron

alobron@massinc.org | 617.742.6800

SENIOR INVESTIGATIVE REPORTER Jack Sullivan

jsullivan@massinc.org | 617.742.6800 ext. 123

ART DIRECTOR Heather Hartshorn

CONTRIBUTING WRITERS Dave Denison, Colman M. Herman, Dan Kennedy, Neil Miller, Laura Pappano, Robert Preer, Phil Primack, B.J. Roche

WASHINGTON CORRESPONDENT Shawn Zeller

PROOFREADER Jessica Murphy

EDITORIAL ADVISORS Mickey Edwards, Ed Fouhy, Alex S. Jones, Mary Jo Meisner, Daniel Okrent, Ellen Ruppel Shell, Alan Wolfe

PUBLISHER Gregory Torres

gtorres@massinc.org | 617.742.6800 ext. 103

SPONSORSHIP AND ADVERTISING Samantha Vidal

svidal@massinc.org | 617.742.6800 ext. 147

CIRCULATION Krisela Millios

kmillios@massinc.org | 617.742.6800 ext. 145

> Full contents, as well as online exclusives, are available at www.commonwealthmagazine.org

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THE BRA AND FANEUIL HALL

I read your stories about the Boston Redevelopment Authority carefully. (See “Money Machine” and “City Workers Tap BRA Housing Program,” CW, Winter 2010.) I think they were quite well done (as was the entire edition).

I believe there is one error of which you should be aware. Specifically, Ed Logue had nothing to do with Faneuil Hall and Quincy Market. He left office in late 1966 or early 1967. The City Council approved the bond issue and the lease in either 1973 or 1974, long after he was gone. It was one of the proudest votes I ever cast.

Lawrence S. DiCara
Former Boston city councilor
Attorney, Nixon Peabody LLP

CommonWealth editor Bruce Mohl responds:

I apologize for any confusion. I based my reporting on Ed Logue’s obituary and an accompanying remembrance of the former BRA executive director in *The Boston Globe*. Both stories credited Logue with conceiving the Quincy Market–Faneuil Hall redevelopment. After receiving Mr. DiCara’s letter, I contacted the BRA, and officials there said the agency under Logue commissioned a study to examine the reuse of the Faneuil Hall site in 1965. Faneuil Hall Marketplace itself did not open until 1976.

The following letters were posted online at CommonWealthmagazine.org.

NO BELLS OR WHISTLES

Regarding Jack Sullivan’s story “City workers tap BRA housing program”: To lump the Reserve Channel building in with the others is misleading. This is not a high-end building with some affordable units. It is 26 units, all affordable and without all of the bells and whistles of the other places. I know because I am one of those who were fortunate enough to have been selected in that lottery.

Dwayne Dahlbeck

TAX DETERS SMOKING

Regarding Michael Jonas’s Inquiry on smokeless tobacco, one sure way to increase quit attempts by smokers is to increase cigarette sales taxes. Since the last Massachusetts cigarette tax went into effect, and given the current economic condition, more and more callers who want to quit smoking tell our tobacco treatment specialists that they just can’t afford to keep the habit and that the increased cost was an effective motivator to get them to quit. It goes without saying that an increase in other tobacco product sales taxes would have the same effect on both teens and adults, as Ms. Breslau has indicated.

One of our particular concerns at the Massachusetts Smoker’s Helpline



is that these other tobacco products are so new on the market that we do not yet know what harmful effects they will ultimately have on users. Many are unregulated by the Food and Drug Administration. The Center for Disease Control reports that “if current youth trends continue, 6.4 million of today’s young people will die from tobacco-related diseases.” Nearly all first-time tobacco use occurs before high school graduation. This suggests that if kept tobacco-free, most youth will never start using tobacco.

Ann Marie Rakovic
Director, Massachusetts Smokers’
Helpline

UP WITH YOUTH VILLAGES

Regarding Alison Lobron’s Inquiry on Youth Villages, thank you for calling attention to this important issue. As counselors and social workers who live and work in the area, the Youth Villages staff—nearly 70 percent of whom come from Massachusetts or the New England region—is deeply committed to helping the most vulnerable children and families in Massachusetts. We hope others will join our cause.

Michael Wright

We welcome letters to the editor. Send your comments to editor@massinc.org, or to Editor, *CommonWealth* magazine, 18 Tremont Street, Suite 1120, Boston, MA 02108. Please include a city or town, as well as a daytime phone number. Letters may be edited for clarity and length.

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Job prospects

THE NO. 1 issue on the minds of voters this year is jobs, and politicians on Beacon Hill are responding with a flurry of proposals.

Most of them fall in one of two categories. They're either initiatives to create jobs directly or calls for more systemic changes in tax and regulatory policies to foster an environment in which businesses would be more likely to expand and hire employees.

Gov. Deval Patrick and House Speaker Robert DeLeo are championing job-creation proposals. Patrick is backing a \$2,500 tax credit for each new job a small business creates. At press time, DeLeo was leading the charge for two casinos, as well as slot machines at the state's four race tracks, with some portion of the revenue going to support manufacturing companies.

Senate President Therese Murray and two of the candidates for governor are opting for more systemic changes. Murray filed legislation to streamline the number of state agencies and authorities promoting economic development and to explore the creation of a state bank.

Republican gubernatorial candidate Charles Baker and independent gubernatorial candidate Timothy Cahill are pitching proposals to improve the overall business climate. Baker says the state is uncompetitive in so many areas that policymakers need to reduce taxes and streamline regulations to make Massachusetts a more attractive place to do business. "It's not sexy and it's not headline-grabbing, but if you don't take care of the basics, the rest of this is noise," Baker says.

Cahill has a similar philosophy, but he's wrapped it in a sexier package. He encourages Massachusetts to follow the lead of the Boston Red Sox. He says the team ended its championship drought only when it began to stress pitching, defense, and player development instead of home runs and free agents. He says Massachusetts should follow the same strategy by reducing taxes, spending, and debt service costs. He calls his proposal ERA, for earned run aver...I mean, economic recovery act.

Generally, I tend to favor the systemic approach, even though politicians often don't follow through on their proposals once they get into office and are confronted with the challenges of cutting taxes and regulations.

The problem with states trying to create jobs directly is that it's an uphill battle. Economic activity is dictated more by national and international factors than local ones. State governments also have to balance their budgets, so it's difficult for them to invest enough in job creation incentives to have a real impact. That's a major consideration in a state that has lost 166,000 jobs over the last two years.

It's also tough for states to pick which industries should be targeted. Beacon Hill politicians three years ago bet big on the movie industry, offering filmmakers a hefty tax credit equal to 25 percent of whatever they spent in Massachusetts. The credit attracted a lot of movies, but a lot of the state's money went to pay the salaries of out-of-state actors, directors, and technicians.

Now Patrick wants to shift gears. He favors capping the film tax credit at \$50 million a year, then funneling the roughly \$50 million that would be saved into the initiative that would give small businesses a \$2,500 tax credit for each new job they create. The credit is so small that it's more of a "thank you" for creating a job than an actual incentive. Still, if all the tax credits were gobbled up, it would translate into 20,000 jobs.

DeLeo's gambling proposal is the most intriguing jobs gambit. It comes with all sorts of societal risks, but it is a realistic job creator. In a speech last month, DeLeo didn't oversell the jobs or the revenue that gambling would produce, which was wise. As Alison Lobron reports in this issue's cover story on a Pennsylvania casino startup, gambling jobs often don't materialize as fast or in as great numbers as we think. By the same token, she reports, gambling wasn't the negative force its opponents feared.

As DeLeo says, gambling is no panacea, but it's something.

Bruce Mohl

BRUCE MOHL

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inquiries

Poker deregulation bill is no bluff

A guy holding a 4 and 7 draws three cards in a poker game, successfully betting he'll pull an inside straight flush. Skill or luck?

Dumb luck for an unskilled player, according to experts, but that randomness does not take away from the growing view that poker is a game requiring a high level of skill to be successful. A bill before the Legislature would make Massachusetts the first state to declare poker a game of skill and remove it from the regulations surrounding games of chance.

"I come at it from a vantage as a teacher. I want to teach my students how to handle aggression and the will to win," says Harvard Law Professor Charles Nesson, an avid poker player and founder of the Global Poker Strategic Thinking Society. "Not to recognize it as a teaching instrument seems dumb to me and inconsistent with Massachusetts historical ideals."

The bill, sponsored by retiring state Rep. Brian Wallace (D-South Boston), would allow "peer to peer" games without limitations. While supporters say it will decriminalize private games and expand participation as a thought-provoking recreational activity, some see it as an opening to unregulated poker parlors around the state.

Edgar Dworsky, a former state consumer protection official and an expert on the gaming law the poker bill would amend, is unfamiliar with the measure but says it sounds like a Trojan horse for off-shore gambling and Internet poker sites to set up shop in the Bay State.

"I don't see this as allowing it, but it's the first step of a slippery slope," says Dworsky.

► BY JACK SULLIVAN

Private developers ape BRA's controversial resale fees

► BY BRUCE MOHL

THE CONTROVERSIAL RESALE fees assessed by the Boston Redevelopment Authority may be coming to a private development near you.

In the Winter 2010 issue of *CommonWealth*, we reported how the BRA collects resale fees equal to 1 percent to 4 percent of the gross sales price every time a condominium unit or house is sold at some 25 properties across the city, including Flagship Wharf in Charlestown. We called it "the BRA's never-ending money machine."

Now the concept is apparently starting to spread to private developers. A New York company called Freehold Capital Partners boasts on its website that it is helping developers of commercial buildings, condo developments, and subdivisions collect what it calls reconveyance fees — fees assessed on each subsequent sale of the property and paid to the original developer. Freehold's business initiative was first reported by the *Washington Post*.

Freehold's reconveyance fee is strikingly similar to the BRA's resale fee. The developer of a property sells it with an attachment to the deed requiring that for the next 99 years all future owners, when they sell, pay the developer 1 percent of the gross sales price.

THE FEES CAN LAST FOR 99 YEARS.

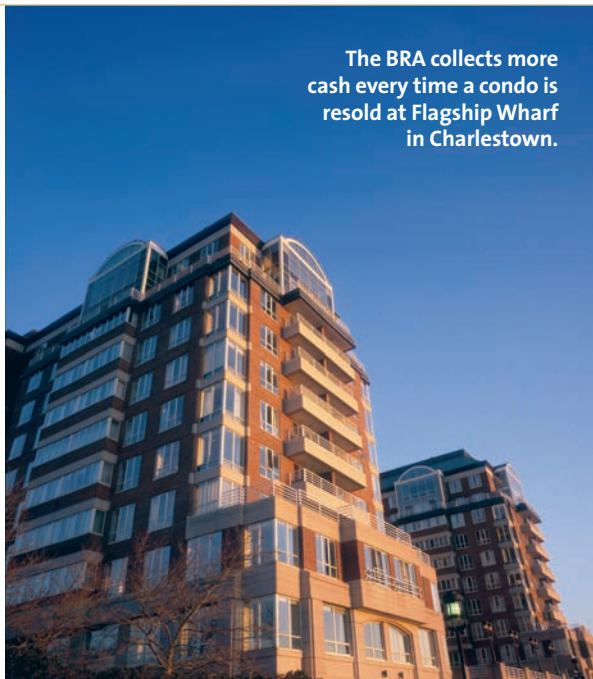
The reconveyance fees can also be aggregated and sold to investors as a long-term income stream, producing more upfront revenue for the developer, Freehold says. "The process is so powerful that it is the subject of patent filings covering reconveyance fees on a 'for profit' basis," according to Freehold's website.

Officials at Freehold did not return phone calls, but its website says that it has partnered with the owners of an estimated \$488 billion in real estate projects located in 45 states nationwide. No actual projects are listed on the website, but the company indicates it has agents scattered across the country, including in Cambridge.

Reconveyance fees may be starting to surface in Massachusetts. Bruce Miller, a real estate attorney working in the Boston office of Pierce Atwood LLC, says he recently advised a client not to purchase a property in Millis where the owner was seeking to impose a 1 percent reconveyance fee on any future sales for the next 99 years.

Miller says half of the fee would have been split between the original developer and Freehold, with a tiny portion going to a nonprofit organization in the Millis area. Miller says the fee is a nightmare for title insurers and unfair to property buyers.

"Why should some third party be a beneficiary to the appreciation on the property?" he asks.



The BRA collects more cash every time a condo is resold at Flagship Wharf in Charlestown.

Boston Mayor Thomas Menino defends the BRA's collection of resale fees because they go to support a quasi-public agency providing economic development, planning, and job training services for the city. "The BRA has the public interest at heart," he says.

But Menino says he doesn't think private developers should be allowed to assess similar fees to boost their income. "I don't think that's a proper thing for them to do," he says.

Lawrence S. DiCara, a real estate attorney in Boston with Nixon Peabody LLP, said he has never heard of such a fee being collected in connection with a local private deal. "I would argue that, if it is part of the contract by which the property is sold, then it is not illegal," he says.

Robert Franco, a real estate attorney in Mansfield, Ohio, says he believes the fees are illegal under common law unless a state's legislature specifically authorizes them or the fees go to benefit the property on which they were assessed.

The American Land Title Association opposes reconveyance fees, which it calls private transfer fees. The association says the fees are of dubious legality and strip consumers of equity in their property.

A white paper issued by the association says the private transfer fees began popping up in California and Texas over the last decade. Initially, they were put in place as a way of creating an income stream for a nonprofit cause, an environmental initiative, or a homeowners association, but over time they have morphed into a new revenue stream for developers.

The association is urging every state to pass laws banning the fees. Florida, Missouri, Kansas, and Oregon have

already banned them, according to the association, while Texas has banned them in certain instances and California has required additional upfront disclosure. Utah and Ohio are currently considering bans on the fees.

The Boston Redevelopment Authority initiated its repayment fee in the early 1980s as a way to kickstart development in the Charlestown Navy Yard. At Flagship Wharf, for example, the authority sold the property to the original developer at relatively low cost and now recoups 2 percent every time a condominium in the building is resold. The BRA's fees, which have been copied by several state authorities, remain in place in perpetuity.

BRA officials say the Legislature gave the authority the power to impose such fees, but several attorneys interviewed by *CommonWealth* say they believe the fees represent an illegal transfer tax.

Northeastern program aims to keep students past their first year

► BY ALISON LOBRON

ON THE PATH to keeping kids in college, Northeastern University has so far met with considerable success—and encountered a few big surprises. Foundation Year, an NU pilot program during the 2009-2010 academic year, offers new graduates of the Boston Public Schools a highly structured first year of college in order to improve their dismal college graduation rates. Of the inaugural group of 44 Boston students, all but two had stuck with the program as of spring break, says Christopher Hopey, the dean for the College of Professional Studies. Next year, Hopey says, Foundation Year will double its enrollment and address the two big challenges faculty encountered this year: weaker-than-expected writing skills and higher-than-expected demand for social services.

Pop culture often paints the first year of college as a nine-month party, but the year is a struggle for many students. After 12 years of ringing bells, study halls, and 7:30 a.m. roll calls, they're suddenly faced with classes that meet only twice a week and professors who offer little structure or guidance. For students lacking strong family support and financial resources, the transition becomes all the more challenging.

A study by the Center for Labor Market Studies at Northeastern University showed that of the Boston Public School graduates who enroll in college, just 35 percent

graduate within seven years. “The college socialization process is very complex,” says Hopey, who says the idea for Foundation Year grew out of his experience as an administrator at the University of Pennsylvania. The first year can be a no-man’s land: Colleges assume high schools will prepare kids for its rigors, while high schools imagine the university will take time to help students acculturate. Students who also grapple with financial worries and complicated home lives “end up going to college, but not making it,” says Hopey.

Foundation Year combines elements of both high school and college. Students study at the Northeastern campus, but they are in class or experiential learning projects for eight hours a day.

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NO PARTY
FOR MANY.**

They have five full-time professors, plus an advisor, dedicated to them, meaning that each student is well-known to the staff. (So it’s harder for them to sleep through lectures without anyone noticing.)

In addition to structure, Foundation Year focuses on core academic skills and offers credit for classes that would elsewhere be considered remedial. “At community colleges, you get tracked into remedial classes and don’t get credit [toward a degree],” says Hopey. “You don’t get credit, you get discouraged, and you drop out. We want them to walk out in 12 months with remedial issues solved, credits earned, and goals set.”

Foundation Year students are admitted into an associate’s degree program within the College of Professional Studies. Upon completing the year, they can continue on toward an associate’s or bachelor’s degree at the College of Professional Studies, transfer within Northeastern, or transfer credits to other schools. Tuition this year was \$15,180, which most students pay for with a combination of federal grants and Northeastern’s need-based financial aid. The program costs Northeastern approximately \$1.5 million a year, says Hopey. More than 250 BPS students have already applied for about 80 slots in next year’s class.

As he reflects on the first year, Hopey is pleased with the high student retention and says the faculty is reconfiguring itself to address the weak writing skills. “We had to pile our resources into writing,” he says. Although all Foundation Year students are MCAS-passing, high-school graduates, “Student writing skills just weren’t there.”

The more daunting challenge, though, was the home life of Foundation Year students, who are chosen through a selective admissions process. “We underestimated the external needs of these students,” says Hopey. As students struggled with issues like homelessness and hunger, he

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says the faculty often stepped in to help, playing far more of an *in loco parentis* role than their colleagues in traditional college settings. "It's not what universities usually do," he says. "It makes us feel proud of what we're doing. These kids would not get the support they need elsewhere."

Galvin gets less secretive about tax credit recipients

► BY BRUCE MOHL

SECRETARY OF STATE William Galvin is starting to lift the veil of secrecy surrounding his management of the state's historic rehabilitation tax credit program, which provides financial incentives for developers to restore historic buildings.

Galvin recently posted on his state website the names of companies and projects receiving tax credit awards during the latest round of the \$50 million-a-year program. Previously, he had informed winners in writing if they were awarded tax credits, but released no information to the public.

The tax credit initiative has been the focus of several articles in *CommonWealth* magazine, which obtained data on the program by filing public records requests with its administrator, the Massachusetts Historical Commission. The commission reports to Galvin, who is the state's chief public information officer and oversees the state's public records law.

Galvin's spokesman, in a terse email, offered little insight on why the information was now being posted. "Another way of making the information available," wrote Brian McNiff.

"It's good to see that the latest round is on the website," says James Igoe, president of Preservation Massachusetts, a nonprofit group that pushed for the creation of the historic rehabilitation tax credit. "Hopefully, future rounds will be reported in similar fashion."

Before Galvin began posting his tax credit awards online, Preservation Massachusetts regularly polled its members to find out whether they had received any credits or not. The organization shared the information it gathered with members and also used it to lobby for the tax credit on Beacon Hill.

The shift by Galvin comes at a time when pressure is building on Beacon Hill to make the awarding of state tax



Galvin now posts the winners of historic rehab tax credits.

credits a more transparent process. In his budget proposal, Gov. Deval Patrick called for agencies issuing tax credits to detail who is receiving them and the number and pay of jobs they are generating.

A similar measure nearly became law last year, but stalled when

Patrick balked at a Senate provision that would have kept the names of tax credit recipients confidential.

Right now there is little rhyme or reason to the way state agencies handle tax credits. Movie producers, for example, receive film tax credits equal to 25 percent of whatever they spend shooting movies in Massachusetts. The Department of Revenue, which hands out the tax credits, considers the names of recipients confidential.

By contrast, the Massachusetts Life Science Center goes through a public process in awarding tax credits. Its board makes awards to specific companies at a public meeting and spells out how many jobs the recipient will

be required to generate. If the company fails to meet its jobs goal, the Life Sciences Center reserves the right to recover its money.

CommonWealth reported in its Summer 2008 issue that Galvin was running the historic rehabilitation tax credit program like a personal fiefdom, deciding which developers would receive tax credits using a secretive selection process that created uncertainty for developers and maximized his political clout.

A breakdown of tax credit awards obtained through a public records request showed that the most tax credits have gone to the Boston Red Sox for the renovation and restoration of Fenway Park. According to the records, the Sox have received \$15.85 million in historic rehabilitation tax credits and are still seeking millions more. The second-biggest recipient was the Liberty Hotel, which received a total of \$9.1 million in tax credits.

During the last two rounds of tax credit awards, the Sox received nothing. Red Sox spokeswoman Susan Goode now says the club remains interested in obtaining historic rehabilitation tax credits. "We have applied for them and we're going to keep applying," she says.

During the most recent round of tax credit awards in December, Galvin handed out a total of 49, most of them

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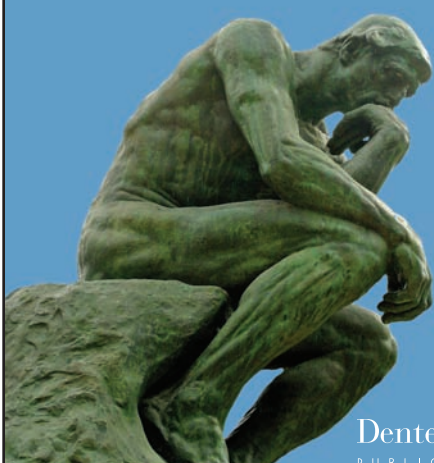
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for \$500,000. The largest award, for \$600,000, went to Stratford Capital Group LLC for a project in Athol.

Despite the tough economy and developers clamoring for financial help, records obtained through a Public Records Act request show Galvin did not give out the entire \$50 million in tax credits last year; he carried \$5.5 million over into this year.

New England's major airports moving to taxi out of the recession

► BY GABRIELLE GURLEY

AS THE ECONOMY slowly starts to recover, three of New England's busiest airports are well-positioned for strong, complementary growth.

Boston's Logan International Airport is already posting passenger gains. T.F. Green Airport in Warwick, Rhode Island, and Manchester-Boston Regional Airport in New Hampshire are still losing passengers, but analysts say they should also rebound in the near term. The goal is to have the two smaller airports hold their own and provide relief to Logan, so that the Boston airport doesn't become overly congested.

"Right now, we're as close to equilibrium [between the three airports] as you could get," says Deborah Meehan, chief operating officer of SH&E, an international aviation consulting firm headquartered in Fairfax, Virginia.

The Big Dig made getting to Logan Airport a snap, drawing back Boston-area passengers who'd been lured away by the easy access and cheaper flights of Manchester and T.F. Green. But even as passengers began to rediscover the virtues of Logan, there were clouds gathering on the horizon. "We began to see a decline in traffic almost two years ago, long before anyone was talking the "R" word," says Tom Kinton, Massport's executive director.

If a decline in air traffic can be a precursor to a recession, then an uptick may mean that the regional economy is ready to come off life support. At Logan, last July, after 18 straight months of declining traffic, "the bleeding stopped," according to Kinton.

Overall, passenger traffic at Logan ended last year down roughly 2.3 percent from 2008, but since the summer there have been steady month-to-month increases. The total number of airport passengers reached nearly 1.8 million in January, up from 1.6 million during the same month a year ago, an 11 percent increase.

Increased airport traffic could be a leading indicator of an economic recovery.



Passengers are streaming back to Logan in part to take advantage of discount air carriers. Southwest Airlines, which already operated out of T.F. Green and Manchester, set up shop at Logan along with three other budget carriers in the first eight months of last year, which surprised Kinton. “First of all, the economy was terrible, and to have four new airlines in a down economy—we don’t see that in a *good* economy,” he says.

Budget carriers swooped in to take advantage of Boston’s strong business and leisure markets. Southwest, for example, was able to find room at Logan because the 2008 Delta–Northwest Airlines merger freed up gates.

“We wanted to open up in Logan because we felt that we weren’t capturing the business within that central financial district, the downtown Boston area,” says Southwest spokesperson Paul Flanigan.

Manchester and T.F. Green have been hard hit by the recession and have seen steep passenger traffic declines. Manchester saw its passenger traffic plummet by about 14 percent last year (Southwest was off roughly 11 percent) and by 4.5 percent in 2008. Last year, T.F. Green’s passenger numbers were down almost 8 percent, with nearly 5 percent fewer people flying Southwest.

But Southwest isn’t deterred by the falloff at T. F. Green

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and Manchester. Flanigan says that planes out of both cities are “full” and the company is “absolutely committed” to the smaller airports that it has served for more than a decade.

The decline in passenger traffic at T.F. Green and Manchester isn’t unique to New England, according to Meehan. “Larger metropolitan areas are going to recover faster than the smaller areas are, based on the strength of the economy,” she says.

Airports are vital players in a region where people fly at a rate 80 percent higher than the national average, according to the 2006 New England Regional Airport System Plan. Concerns about congestion at Logan led officials from the six New England states and the Federal Aviation Administration to study better ways to utilize the smaller regional airports—which, in turn, would help improve the Boston facility’s performance.

Logan will always be the primary international facility for the region, says Kevin Dillon, president of the Rhode Island Airport Corp., which runs the Providence area facility. But “T.F. Green plays a key role as a ‘reliever’ [to Logan], certainly on the domestic front and hopefully on the international front,” he says. Beyond that, the airport also serves the “very large and attractive” Providence

market, he adds.

If the recovery is genuine, smaller metro areas should see more passengers in near future. Both Manchester and T.F. Green are positioning themselves to take advantage of an economic upswing. The New Hampshire airport is currently trying to attract discount carrier JetBlue, while also working to boost its regional ground transportation links to the rest of New Hampshire and Boston.

At the Rhode Island airport, Dillon says that all its carriers except Continental have added either additional seats or additional routes, Ground transportation upgrades are in the works, too. The MBTA is extending the Providence-Stoughton commuter rail line to a new airport intermodal center that will see limited service by the end of the year.

A decade ago, Manchester and T.F. Green couldn’t attract passengers from their own areas, let alone encroach on Logan’s service area, according to Meehan. The arrival of Southwest in New England changed all that. With Southwest and other budget carriers now at Logan, the possibility for delays and congestion increases and the smaller airports can take the pressure off. “In the long run, it’s a very good thing for Logan to have two such strong airports in such close proximity,” Meehan says. **CW**

Financing that’s flexible enough to turn a bakery into home sweet home.



MassDevelopment’s Sean Calnan with Colin O’Keefe and Rich Relich of Arch Street Development. (Left to Right)

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Political preview 2010 BY ROBERT DAVID SULLIVAN

THE SURPRISE ELECTION of Republican Scott Brown as US Senator in January was only the beginning of what promises to be a tumultuous year of politics in Massachusetts. We've put together some stats on some of the major factors in statewide politics in the past and future.

PARTY DOWN

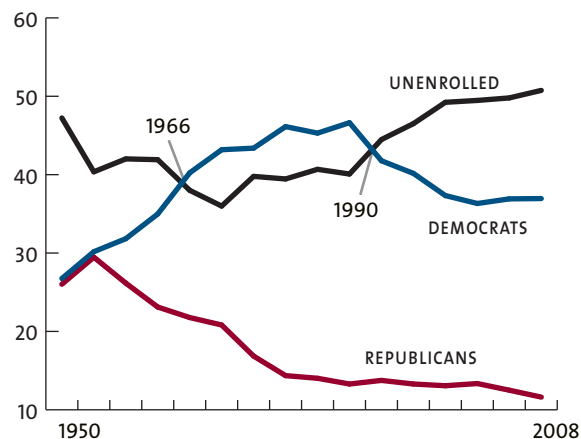
Democrats have outnumbered Republicans in Massachusetts for more than 60 years. But as the graph at right shows, there has been considerable fluctuation in party strength over that time, and the “unenrolled” (the Bay State’s term for independents) are now on the upswing.

Allegiance to the Democrats was still fairly weak at the end of World War II, but the party began to sprint ahead of the GOP in the 1960s, after the election of John F. Kennedy as president. (The party has held both houses of the Legislature since 1958.) The Democrats hit a peak of 47 percent of the electorate in 1986, the year that Gov. Michael Dukakis was elected to a third term and began a presidential campaign based on the “Massachusetts Miracle.” Four years later, after Dukakis lost the White House and the state’s economy suffered a major breakdown, the Republicans won the governorship and unenrolled voters became the largest bloc in the state. In 2008, there was a surge in voter registration, fueled in part by interest in the fight for the presidential nomination between Democrats Hillary Clinton and Barack Obama, but that was also the year that the unenrolled became an absolute majority in Massachusetts.

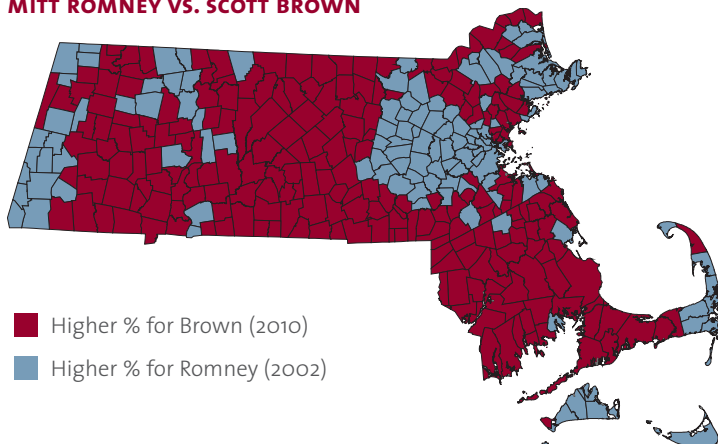
What of the GOP? It was just shy of 30 percent of the electorate during the Eisenhower administration and has been losing ground ever since, bottoming out at 12 percent in 2008. But Brown’s election this winter suggests that an overwhelming majority of independents are willing to vote Republican.

As the map at right shows, Brown did better than the previous Republican to win a statewide race in Massachusetts—Gov. Mitt Romney in 2002—in most of the state, especially in Plymouth and Worcester counties. What’s unclear is whether this was a surge for Republicanism or merely a backlash of independents against the ruling Democratic Party. If it’s the former, it’s good news for probable

PARTY REGISTRATION



MITT ROMNEY VS. SCOTT BROWN



Republican gubernatorial nominee Charlie Baker. If the latter, Democrat-turned-independent Tim Cahill may be the principal opposition to Democratic Gov. Deval Patrick this fall.

Sources: Massachusetts Secretary of State’s Office; Massachusetts Office of Campaign and Political Finance; National Institute on Money in State Politics.

Total spent by all gubernatorial campaigns in 2006:

\$42.3 million

CONTRIBUTING FACTORS

When candidates get generous with themselves, they can dwarf the campaign spending by political parties and “special interests.” This happened in 2006, when four of the top 10 contributors to Bay State campaigns in 2006 were people giving to themselves. None of them—gubernatorial candidates Chris Gabrieli, Kerry Healey, and Christy Mihos and lieutenant governor hopeful Deborah Goldberg—were successful. As the chart at right shows, self-contributions were by far the biggest source of campaign cash that year. (Food and liquor interests contributed heavily for and against a referendum to allow more supermarkets to sell alcohol.)

The governor’s race was ultimately won by Patrick, who put a relatively paltry \$181,000—4 percent of the total money he raised—into his own campaign, compared with Healey personally kicking in \$10.3 million, equal to 74 percent of the total money she raised.

Patrick was easily outspent by Healey (\$13.2 million to \$8.9 million) over the course of the year. But he had a big advantage in individual contributions, raising \$7.6 million from 381,157 individuals, while Healey reaped \$3.6 million from 162,222 people. As the chart below shows, Patrick also had an edge in luck raising money in the traditional liberal bastions of Boston, Cambridge, Newton, and Brookline. (Healey’s hefty take from Beverly is almost entirely from her self-contribution.)

TOP CONTRIBUTIONS BY “INDUSTRY” TO ALL BAY STATE CAMPAIGNS IN 2006

CONTRIBUTOR	TOTAL AMOUNT
CANDIDATE SELF-FINANCE	\$28,772,411
FOOD PROCESSING AND SALES	\$7,855,471
PARTY COMMITTEES	\$6,690,204
BEER, WINE, AND LIQUOR	\$5,664,210
LAWYERS AND LOBBYISTS	\$5,656,857
PUBLIC SECTOR UNIONS	\$2,754,657
REAL ESTATE	\$1,492,795
GENERAL TRADE UNIONS	\$1,187,879
SECURITIES AND INVESTMENT	\$1,165,879
HEALTH PROFESSIONALS	\$1,148,536

TOP CITIES AND TOWNS FOR 2006 GUBERNATORIAL CAMPAIGN CONTRIBUTIONS

PATRICK (D)	TOTAL AMOUNT	HEALEY (R)	TOTAL AMOUNT
BOSTON, MA	\$3,685,160	BEVERLY, MA	\$10,396,564
CAMBRIDGE, MA	\$478,256	BOSTON, MA	\$1,624,695
MILTON, MA	\$394,909	WELLESLEY, MA	\$64,120
NEWTON, MA	\$375,747	NEWTON, MA	\$59,042
BROOKLINE, MA	\$277,861	MILTON, MA	\$53,150
WELLESLEY, MA	\$166,423	WESTON, MA	\$50,276
LEXINGTON, MA	\$164,423	ANDOVER, MA	\$49,283
NEW YORK, NY	\$132,091	NEEDHAM, MA	\$42,190
WASHINGTON, DC	\$129,903	BROOKLINE, MA	\$40,235
ARLINGTON, MA	\$119,856	HINGHAM, MA	\$39,365

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Raised stakes

BY ROBERT DAVID SULLIVAN

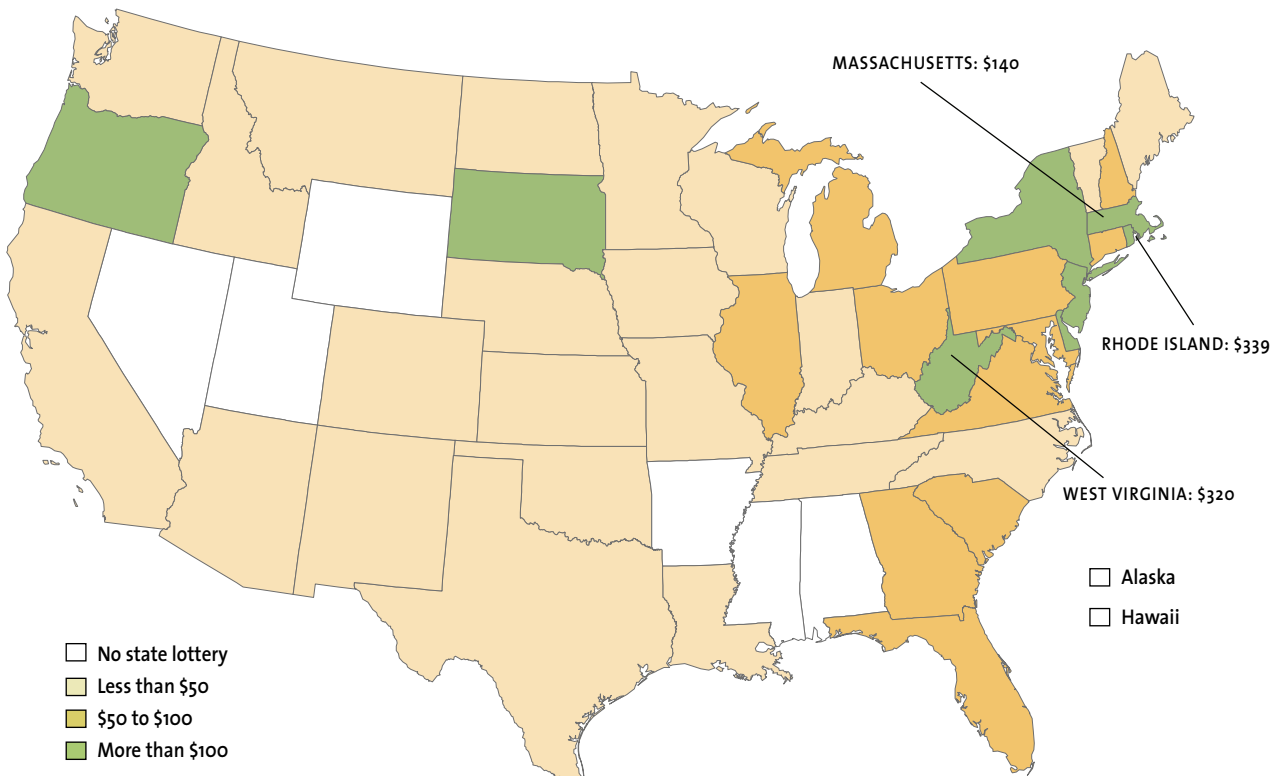
ANY DEBATE OVER the possible arrival of casinos in Massachusetts (see “Ka-ching,” Page 30) has to take into account how much we already rely on the state lottery, and whether scratch ticket sales will suffer against a rival outlet for gambling. In FY 2008, according to the North American Association of State and Provincial Lotteries, the Bay State had lottery sales of \$4.7 billion (exceeded only by Florida and New York), resulting in a profit—after prizes are paid out—of \$913 million, or a little less than 2 percent of total state revenue. This comes out to \$140 for every person living in the state.

The map below shows which states get the most in lottery profits per capita. Massachusetts finishes sixth, and Rhode Island and West Virginia lead the list; neither has casinos, but both have “racinos,” or racing tracks with gaming machines. It may not be a coincidence that lottery sales are generally higher in densely populated states, where millions of people live within a couple of blocks of

convenience stores selling tickets. Sales aren’t quite as brisk in the West or in the “Mississippi riverboat” states of Iowa, Louisiana, Mississippi, and Missouri, which each have at least a dozen casinos. (Mississippi and Nevada make enough from taxes on casinos not to bother running a lottery at all.) Oregon and South Dakota, the only states west of the Mississippi with unusually high per-capita lottery profits, both have tribal casinos, suggesting that one form of gambling doesn’t necessarily cannibalize from the other.

According to 2006 Census data (the latest to compare state revenue from all kinds of gaming), New Jersey made more of a profit from its state lottery than from its prominent Atlantic City casinos. But while Connecticut took in more money from its lottery (\$916 million) than from its taxes on casinos (\$458 million), when you take out the \$587 million paid out in lottery prizes, the casinos turned out to be more profitable. **CW**

STATE LOTTERY PROFITS PER CAPITA, 2008



Sources: North American Association of State and Provincial Lotteries; US Census Bureau



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Redefining parents

BY ROBERT DAVID SULLIVAN

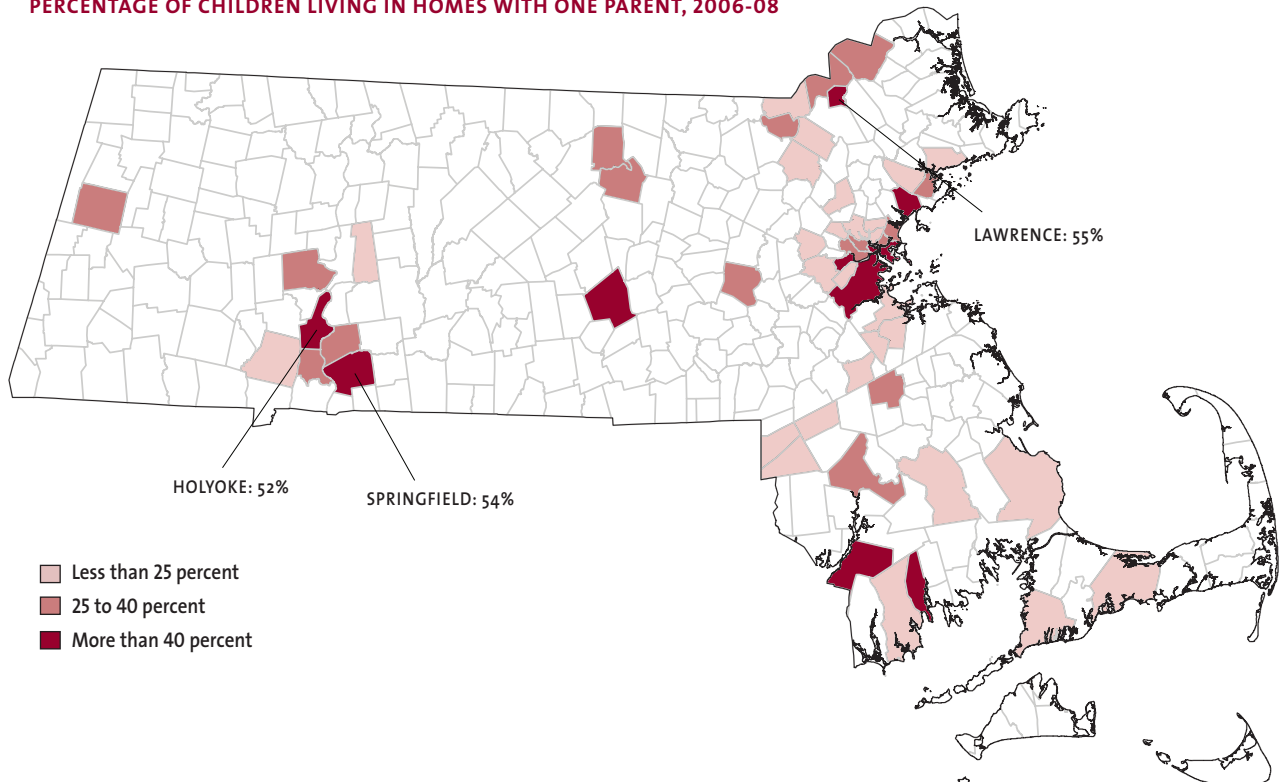
BY TRADITIONAL DEFINITIONS, the percentage of children living in “single-parent” households has risen steadily over the past few decades, both nationally and in Massachusetts. One measure is the share of all births to unmarried mothers; nationally, that’s gone from 28 percent in 1990 to 34 percent in 2000 to an estimated 40 percent in 2007. In the Bay State, the corresponding figures are 25 percent, 27 percent, and 33 percent. (Mississippi has hit 54 percent, and Utah is at the other end of the scale, with 20 percent.)

This trend is worrisome, given the numerous studies pointing to a correlation between single parents and poverty, but the numbers are skewed by a growing demographic group in America: children living with unmarried parents. Until recently, the Census Bureau counted any child without a legally married mother and father as living in a “single-parent” home. But the 2006-08 American Community Survey added estimates on the number of children in homes with an “unmarried partner of householder

present”—mostly referring to opposite-sex couples but also including all same-sex couples in Massachusetts, since the federal government does not recognize any of them as married. The map below shows the percentage of children in larger cities living in homes without coupled adults, married or otherwise. The 2010 Census will be the first to include this data for all communities.

In Northampton, the percentage of “single-parent” children drops from 40 percent to 30 percent under the new definition. In New Bedford, 58 percent of children live in households without married parents, but the number drops to 46 percent (still an alarming number, to be sure) when unmarried partners are counted. Even under the new definition, a majority of children now live in households with one parent in Lawrence, Holyoke, and Springfield. And in addition to New Bedford, the figure is above 40 percent in Boston, Fall River, Lynn, and Worcester. But the redefinition pushes the number down to a mere 10 percent in the exurbs of Billerica and Plymouth. **CW**

PERCENTAGE OF CHILDREN LIVING IN HOMES WITH ONE PARENT, 2006-08



Source: American Community Survey, US Census Bureau

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No. 41

As a first-term senator, Scott Brown is likely to burnish his credentials as an independent **BY SHAWN ZELLER**

WITH HIS ELECTION win in January, Scott Brown disappointed a lot of Democrats. But aside from his opponent, Attorney General Martha Coakley, no one lost more in that election than Ben Nelson. A Nebraska Democrat, Nelson was considered the Democrats' 60th vote before Brown knocked him down a peg. After Brown's upset victory, Nelson is just No. 59, and in the Senate, where filibuster rules require 60 votes to get almost anything done, that's a big difference.

As probably the most conservative Democrat in the chamber—and the last holdout when the Senate voted in December to approve a major health care overhaul—Nelson milked his vote for all it was worth, extorting his Democratic colleagues into agreeing to tap the federal treasury to cover any increase in Nebraska's Medicaid costs that his state might incur as a result of the Senate bill becoming law.

Now Brown is the one with special status—the 41st vote—and the ability to wield more influence than a typical freshman senator. And his leverage could pay off for Massachusetts in the months to come. As Nelson's experience in the health care debate shows, "when you are a crucial vote, you can get a lot of goodies," says Brian Schaffner, a political science professor at the University of Massachusetts at Amherst.

In February, Brown defied his own party leadership to help the Democrats pass a tax credit for employers who hire new workers. But he retained his star-quality cachet with Republicans, who are just as readily offering favors to keep him on their side.

In March, Mitch McConnell, the Senate minority leader from Kentucky, said Brown would have seats on the Senate Armed Services Committee, with its control over billions in Pentagon spend-

ing, and on the Homeland Security and Governmental Affairs panel, another prestigious assignment not typically handed to the lowest ranking member of the minority party. Republican Senate leaders, who make the committee assignments, said they hoped the assignments would give Brown a leg up as he begins to build a case for reelection in 2012.

Whether Brown can maintain the boy-wonder aura beyond an initial honeymoon is another question altogether. That's because for every time Brown crosses the aisle to win a victory for Massachusetts, he figures to lose some chits with his fellow Republicans, who've adopted a strategy of stonewalling Obama in the hopes of parlaying the ensuing gridlock in Washington to a big GOP victory in November. And if more Republicans are elected this November, as is widely expected, Brown won't be the Republicans' 41st vote anymore, or the Democrats' 60th either.

But for the moment, he may use his enviable status to reap the benefits that come with being a centrist. "I'm an independent voter and thinker. I always have been," he said at a press conference upon arriving in Washington this winter. And though he quickly cast his first vote as Senate GOP hardliners wanted him to—helping to sink a union-backed nominee to the National Labor Relations Board—he said he wanted to make it clear that he was under no undue pressure from his party's Senate leaders.

BROWN JOINS A team from the Bay State made up of 10 House Democrats and five-term Democratic Sen. John Kerry, and he told *CommonWealth* that he's eager to make the case that having bipartisanship in the delegation is better than not. He



Senators Kerry and Brown could become allies on environmental issues.

says that “single-party political dominance, both on Beacon Hill and [in] Washington, DC, too often leads to bad government and poor decisions” and that his brand of independent Republicanism will help break the “partisan gridlock in Washington.”

The new senator claims his vision is one of collegial give-and-take. But experts say he’s more likely to reap rewards for the Bay State by playing hardball and then cutting deals. “Anytime you are the potential 60th vote, you have outsized power in the Senate,” says Matt Dallek, a former aide to then-House Democratic Leader Richard Gephardt of Missouri who’s now a visiting scholar at the Bipartisan Policy Center, a think tank in Washington that encourages the parties to work together.

However the deals are made, Brown will have to work with the Democrats to get things done. But to maximize his power, and his utility to the voters back home, Brown will have to do it while also maintaining his leverage with Senate GOP leaders. If he can do both, he may find he has a long Senate career ahead of him. But it’s not going to be easy, as the dismal, recent history of GOP moderates—Brown excepted—would indicate. Even Republicans wishing Brown the best say it would be just as easy for him to become an unexceptionable back-bencher, especially considering that he replaced Sen. Edward Kennedy, almost universally acknowledged as one of the most

effective senators of all time. With all the uproar after Brown’s victory over Coakley, including questions about his presidential ambitions, a reality check is in order. “A senator is almost always more powerful and more effective if he is in the majority,” says Frank Micciche, who headed former GOP Gov. Mitt Romney’s Washington office and is now a senior advisor at the law firm McKenna Long & Aldridge.

But Micciche also believes that the unique circumstances that brought Brown to power could give him the cachet necessary “to turn that on its head” and succeed both in serving Massachusetts well and setting himself up for reelection.

If Brown can hang on until Republicans reclaim the majority, his power will expand exponentially. Most political prognosticators say there is little chance the Republicans will gain control of the Senate in 2010, but it is likely that starting next year the bloc of GOP moderates will begin to expand after suffering severe contractions in the 2006 and 2008 elections. Moderate Republicans like Mike Castle of Delaware and Mark Kirk of Illinois are running strong for Senate seats this November. Combine them with Brown and Maine’s two moderate Republican senators, Olympia Snowe and Susan Collins, and you have a powerful coalition. “That bloc could be crucial to a lot of deals,” says Dallek.

A bigger bloc of GOP centrists also carries risks for Brown. He could easily fall into the trap that has befallen fellow Republican moderates in the past, from former Sen. Lincoln Chafee of Rhode Island to ex-Reps. Chris Shays of Connecticut and Charlie Bass of New Hampshire. All were unloved by their own leadership and undercut

Brown aims to break the ‘partisan gridlock.’

by criticism from their right flank before ultimately being unseated by Democrats. The threat of a conservative primary challenge last year actually pushed longtime GOP Sen. Arlen Specter of Pennsylvania to become a Democrat.

BROWN IS CLEARLY preparing for the future, surrounding himself with former aides to Romney—who perfected the balancing act between conservatism and bipartisan moderation that a Massachusetts Republican must perform. Among Brown’s first hires were chief of staff Steven Schrage, who advised Romney’s 2008 presidential campaign, and communications director Gail Gitcho, who was a campaign spokeswoman for Romney.

According to Micciche, another Romney administration veteran, Brown's window to work with the other party is now. "Some of the ones who appear the toughest partisans, like Barney Frank, also seem to get the need to cross party lines at times. They won't do him any favors. But Brown is in a position now where you wouldn't want to pick a fight with him for the sake of picking a fight. He's got political capital."

If Brown were to cross the aisle to work with Frank, who chairs the House Financial Services Committee, on new banking regulations, he might make Frank amenable to helping him out down the road. Likewise, if Brown were to work with Kerry on climate change legislation—where Kerry is leading an effort to forge a bipartisan solution—Brown might make a fast friend of his senior colleague, who's eager to bolster his legacy by tackling global warming. Notably, Brown, on Beacon Hill, was more likely to work with Democratic colleagues on environmental and energy issues than on any other area, according to an analysis of his votes conducted by the *Washington Post*.

Although the last two Republicans to serve Massachusetts in Congress—Danvers's Peter Torkildsen and Shrewsbury's Peter Blute—were defeated in the 1996 elections,

there is some history of productive bipartisanship there, says Christian Zur, who was Torkildsen's deputy chief of staff during his two House terms.

"The dean at the time was Joe Moakley, who was very kind to my former boss. They could work together," says Zur. "Ted Kennedy would personally call my boss when he needed things done in the House." Zur credits that cooperation with helping to secure funding for the Big Dig after Republicans, deeply skeptical of the project, seized the majority in both chambers in 1994.

For such cooperation to resurface, one of the delegation's top Democrats will have to reach across the aisle. "Someone has to be truly magnanimous like Kennedy was, or totally unthreatened like Moakley," says Zur.

While it's still too early to tell if such relationships will emerge, at least for now Brown's new Democratic colleagues are holding their fire. "On the great issues of the day, you can expect differences, but what to watch is the nitty-gritty stuff" that's important to the Bay State, says Michael Capuano, the Somerville Democrat who lost his bid to challenge Brown to Coakley in the Democratic primary last year. "It's about building personal relationships across the aisle. He has to make those choices and decide what kind of senator he wants to be." **CW**

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1846 First public demonstration of ether use during surgery

—Massachusetts General Hospital

1896 First use of X-ray image for diagnosis in the U.S.

—Massachusetts General Hospital

1929 First use of iron lung to save polio victim

—Brigham and Women's Hospital

1954 First successful human organ transplant

—Brigham and Women's Hospital

1962 First successful surgical reattachment of severed limb

—Massachusetts General Hospital

1984 First heart transplant performed in New England

—Brigham and Women's Hospital

1993 Discovery of genes responsible for Huntington's disease and inherited ALS

—Massachusetts General Hospital



1998 First successful transplant of kidney with bone marrow, removing long-term need for anti-rejection drugs

—Massachusetts General Hospital

2003 Development of CRP test to predict risk of heart attack and stroke

—Brigham and Women's Hospital

2004 First quintuple lung transplant performed in the U.S.

—Brigham and Women's Hospital

2008 Development of microchip device to detect rare, minute cancerous tumor cells in bloodstream of cancer patients

—Massachusetts General Hospital

2009 Partial face transplant, only the second ever in U.S.

—Brigham and Women's Hospital



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Ka-ching!

A Pennsylvania city finds out
what happens when a casino
moves into the neighborhood

BY ALISON LOBRON

Michael DiLorenzo laughs when he remembers all the talk about hookers. “People said that if a casino came to town, they would be hanging out everywhere,” he recalls. A slight, dark-eyed man with a quick smile, DiLorenzo is sitting behind the cash register at Franklin Hill Vineyards in Bethlehem, Pennsylvania, on a quiet Wednesday evening. He gestures out the liquor store’s front window at Bethlehem’s Main Street, a lantern-lit stretch of cafés, gift shops, and Colonial Era homes. “The hookers are not here,” he says.

A year after the Las Vegas Sands Corp. opened its first Northeastern casino, a mile from Bethlehem’s Main Street, DiLorenzo says he is barely aware the place exists. As he sees it, the casino, which opened in April 2009, hasn’t changed the historic character of the city, turned Main Street into the Las Vegas Strip, or wreaked any of the havoc he recalls local opponents predicting. “It’s definitely not the downfall of our community,” says DiLorenzo.

But, he adds, the Sands Casino hasn’t brought the windfall that local backers started promising as soon as Pennsylvania legalized slot



machines in 2004. Despite talk of a tourism boom and a revenue boost for businesses in the city center, the Sands hasn't finished building its long-awaited hotel, and DiLorenzo says he's had exactly one customer come into his shop who was in town because of the casino. "I don't think anything's come of it," DiLorenzo says. "But it's still a very new thing."

As Beacon Hill grapples again with introducing casinos in Massachusetts—this time with the House speaker, the Senate president, and governor all on board, to varying degrees—the experience of this Pennsylvania city of 75,000 is instructive. Like many areas of the Bay State, Bethlehem has struggled to replace lost manufacturing jobs, in particular those that vanished after the 1995 closure of the once-mighty Bethlehem Steel plant. The city's tourism industry has many of the same strengths and weaknesses as communities outside Boston: historic sites and beautiful countryside coupled with lousy weather and casino competition just across the state border.

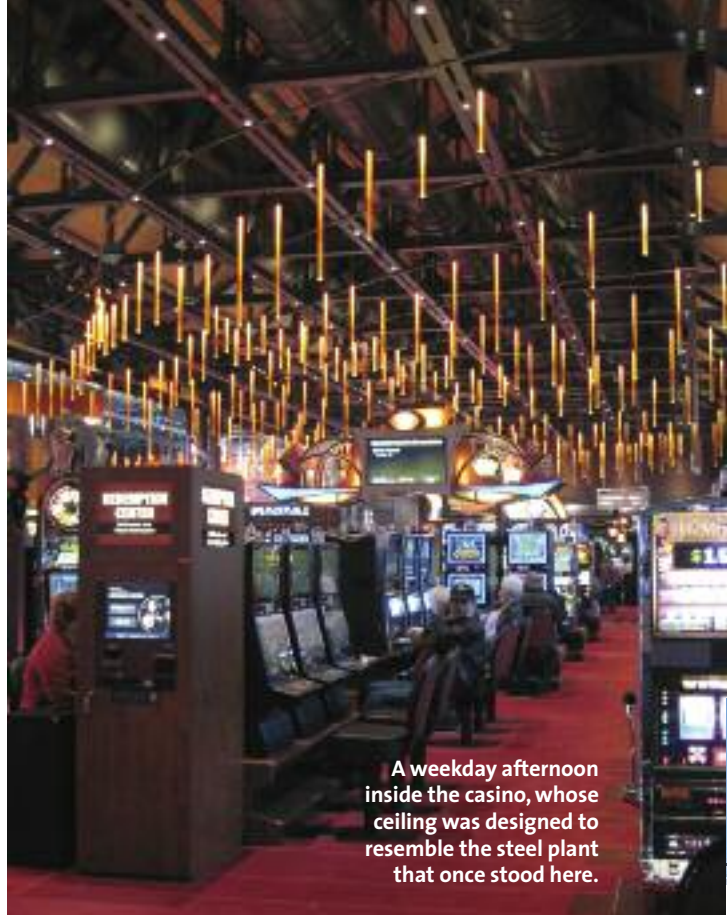
Soon after slot machines became legal in Pennsylvania, gaming proponents in Bethlehem offered many of the same arguments heard in the halls of the Massachusetts State House early this year. Gambling, they said, would spur economic development, create jobs, and prevent money from being sucked into casinos across the state border. Opponents, meanwhile, predicted that gambling would harm the fabric of communities, create social problems, and sap money away from local businesses and the state lottery.

On the whole, Bethlehem's experience has been more positive than negative. The city has new jobs, and even the casino's opponents acknowledge the community's character feels unchanged. The state lottery's sales have gone up, not down. At the same time, even the big supporters of Bethlehem Sands say that Massachusetts communities should beware of casinos that flash dollar signs before their eyes and should not rely on promised benefits. The jackpot, they say, may not be as big as predicted—and the most severe of human consequences may not appear for some time.

SERIOUS MONEY YET TO ARRIVE

As soon as Pennsylvania legalized casinos, Bethlehem's mayor, John Callahan, knew he wanted one. Callahan, whom the local newspaper calls "the Sands' head cheerleader," has the boyish good looks of a homecoming king. He is now running for Congress, and when I meet him in his City Hall office, he's quick to highlight what he sees as the Sands' positive contributions to Bethlehem. First, he cites jobs: This casino of 5,000 slots has brought approximately 750 or 800 new full-time positions with benefits.

The Sands is a medium-sized casino, the fifth largest



A weekday afternoon inside the casino, whose ceiling was designed to resemble the steel plant that once stood here.

employer among the state's nine gaming facilities. At the end of 2009, no casino in Pennsylvania directly employed more than 1,200 people—a number that could be a boon to the home communities, perhaps, but a far cry from the 20,000 permanent jobs that Gov. Deval Patrick predicted three resort casinos would bring to Massachusetts. In 2008, four years after legalization, Pennsylvania's gaming industry employed fewer than 6,000 people.

Still, Callahan says that, when temporary construction jobs are counted, the economic benefits have been strong. "We grew 2,000 jobs in 2009," he says. "Everywhere else you had lines at unemployment offices. Here, we were opening employment offices."

He's also pleased the city has avoided some of the anticipated drawbacks to a casino: Crime hasn't gone up, traffic hasn't gotten worse, and the city doesn't look cosmetically different. Overall, crime in Bethlehem fell 9 percent the year the casino opened—perhaps because of the stepped-up police force, but more likely, the mayor thinks, because more people had jobs.

"I want to be the place where people say, 'They did casinos right,'" Callahan says. Holding up one hand, he ticks off a list for avoiding pitfalls that sounds something like this: Find the right site. Find the right operator. Get the zoning right. Work with your neighbors. Figure out infrastructure needs in advance.

Still, while the city is more than breaking even, it isn't making serious money. Pennsylvania's enabling legislation requires casinos to pay a 55 percent tax rate to the state on revenues, with 4 percent of the total going to the

**Bethlehem's Main Street
has seen little change
since the casino opened.**



**One of Bethlehem Steel's
old cranes welcomes
visitors to the Sands.**



host communities. The casino's gross terminal revenues—revenues after gambling winners are paid—totaled \$153 million through the first eight months of the fiscal year ending July 2010. Among the nine casinos in Pennsylvania, the Sands accounts for just over 10 percent of the state's total gambling revenues.

For Bethlehem, host fees came to \$1.6 million in 2009, or \$300,000 over what the mayor's office had anticipated for this first partial year. In 2010, the first full year of operation—and a year in which the casino plans to add newly legalized table games to its current slot machines—the city projects \$7.5 million in host fees. The mayor's office says the financial benefits, which also include retail and land taxes, so far have outweighed the need for additional municipal expenses like an expansion of the city's police force, from 144 to 161.

But Callahan is under pressure. The casino is the biggest thing to happen to Bethlehem during his tenure as mayor, but after five years of supporting the Sands, he's frustrated that the "Casino Resort" is not yet a resort. The dream of a tourist destination, where people would stay, play, and spend, has yet to materialize.

In 2008, citing the economy, the Sands stopped construction on a 300-room hotel that was supposed to make Bethlehem a tourist destination. The hotel's metal skeleton, cloaked in plastic wrap, is a blight on the Sands site akin to the empty foundation of Filene's Basement in Boston's Downtown Crossing.

"I want to see them finish it," says Callahan.

Without a hotel, visitors to the Sands are now locals and day-trippers, meaning that Bethlehem doesn't have new hotel jobs and isn't collecting hotel taxes or meal taxes from overnight guests. Based on the impressions of local business owners, Sands visitors gamble, eat at on-site restaurants, shop at on-site retail, and then leave. They do not, at least according to anecdotal reports, cross the river and spend time in the historic city center, despite a city-run shuttle bus designed for that purpose. As the Sands approaches its first anniversary, Callahan and others are grateful for some of the benefits—and impatient for more of what they were promised.

FROM STEEL PLANT TO SLOTS

From the main road, the Bethlehem Sands looks nothing like a leisure destination of any kind, much less one with roots in Vegas. The casino itself, a nondescript structure of concrete and glass, was built to look old, says Bethlehem Sands president Robert DeSalvio. More specifically, it was built to look like what the site used to be: the Bethlehem Steel plant.

The casino itself rests on top of what was once the ore pit. The Sands painted one of the plant's giant cranes black, hung their red logo on it, and then built the casino in the style of the plant's other buildings, some of which are being refurbished into art spaces and an industrial museum.

For some in the city, the Sands not only respected the character of the original site, it provided a service the city couldn't perform for over a decade: rebuilding a massive, historical brownfields site that contains the memories of generations.

"We were working on that site for 10 years and nothing was working," remembers Tony Hanna, Bethlehem's director of community and economic development. He says earlier plans to revitalize the abandoned plant—including one for a Faneuil Hall-style marketplace—lacked the investment to get off the ground. "We needed a powerful economic engine, and there are very few of them out there," he recalls.

"You sort of make a Faustian bargain with gaming," says Hanna. "But the good news is we did it because it was a way to jump-start redevelopment of the Bethlehem Steel site. If we didn't do that, we wouldn't have brought gambling to Bethlehem."

For Bethlehem, bringing a casino to town was inextricably linked to finding a company that would redevelop that particular site. As the mayor remembers it, the site was a hard sell with some of the gaming operators who expressed initial interest in the Lehigh Valley. Most wanted to be on the outskirts of town, just off the interstate highway. “I’d be cannibalizing my own downtown if the investments—the casino and the retail—all went up at the outskirts,” says Callahan. “So I had to find an operator who could get excited about [the former plant]. The Sands loved it. They loved the site, loved theming it around the steel industry and keeping the sense of place.” Callahan says the city negotiated with the casino company to determine which buildings would be torn down and which would be refurbished.

Linking the casino’s creation to the plant’s revitalization proved to be a key selling point for residents, who take pride in the plant that supplied steel to much of New York City’s skyline and fueled America’s efforts in both world wars. Tony Hanna says that soon after the state legislature approved slot machines in 2005, public opinion in Bethlehem was evenly divided on bringing a casino into town. “But it went to 60/40”—in favor of gaming—“when you asked people whether they approved of a cas-

ino if it would mean saving the Bethlehem Steel site,” Hanna recalls.

Most of the thematic links are structural: the massive black crane, the gray-and-glass exterior that blends into the rest of the plant, the ceiling arches that echo those of original Bethlehem Steel buildings. “We get older steelworkers who come in and are reduced to tears by the appearance,” says DeSalvio, the Sands president.

WORKING WITH NEIGHBORS

The casino sits near the border between the historic downtown and the grittier neighborhood of South Bethlehem, whose close-together cottages once housed generations of steelworkers, many of them immigrants. Today, Head Start buses roll through the area, and retail signs are a blend of English and Spanish. DeSalvio says the casino made a concerted effort to create an employee roster that reflected the significant Latino population of South Bethlehem.

Mayor Callahan says working with neighbors, assessing infrastructure needs, and re-thinking zoning were critical in ensuring the smoothness of the integration. The first meant agreeing with two neighboring communities, whose

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Bethlehem Mayor John Callahan is frustrated that a hotel has still not been completed.

local governments also wanted a casino, that whoever did not get the facility would still collect a portion of the host fee. (The thinking behind shared host fees is that any negative effects—an increase in problem gambling, for example—would not stop at city lines.)

Assessing infrastructure meant gradually ramping up Bethlehem's police force, adding four or five new officers each year—and building in an area that could withstand the road and parking needs of a casino. According to Hanna, the economic director, the Bethlehem Steel plant absorbed 30,000 workers every day at its peak, so the site was accustomed to heavy volume.

The city also put new zoning regulations in place, designed to ensure that the community's fears—prostitutes, drugs, robbery, general sleaziness—don't overwhelm South Bethlehem. The city council explicitly barred pawn shops, cash-checking establishments, and "adult entertainment" stores from locating within 5,000 feet of the casino. "I didn't want a strip of pawn shops," says the mayor. "You can't prohibit them because they're legal businesses, but if you don't allow them to set up shop close to the casino, then they won't come."

Indeed, for those who dislike casinos on aesthetic grounds, there's little about the Sands to cause offense. All hints of Vegas are confined behind windowless walls. The interior, to be sure, contains all the standard casino elements: flashing lights, massive neon dollar signs, and a swirl of cigarette smoke so thick the brand-new building already smells stale. But it's easy to avoid this atmosphere. The only locals who have to confront the blinding lights and stale smoke are the ones who choose to go inside.

David Wickmann is president of the Northern Province of the Moravian Church, the Protestant denomination that founded Bethlehem several centuries ago. He was part of a vocal opposition to the Sands' arrival because, as

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he puts it, “we felt that the presence of a casino would alter the character and fabric of a community in ways that would be detrimental to its future.”

He acknowledges that his fears have not come to pass. “The casino occupies a relatively small space within our community in terms of footprint. It has not had a positive or a negative effect on the fabric of the community,” he says.

Like their counterparts in Massachusetts, casino opponents in Pennsylvania argued that casino revenues wouldn’t really be new revenues. In other words, there’s only so much that a state’s residents will spend to gamble, and whatever is gained in casino taxes will likely be lost in state lottery revenues. That hasn’t happened so far in Pennsylvania. A Pennsylvania legislative committee last year studied the effect of casinos on the state’s lottery and found that, overall, average monthly lottery sales not only didn’t fall, they rose—from \$247 million to \$257 million between 2005 and 2009, a period in which Pennsylvania was steadily adding casinos. But while the statewide average was up, sales did fall by 1.7 percent in communities hosting casinos. “Competition from slots gaming cannot be discounted as a factor affecting Lottery sales,” the committee concluded.

While Bethlehem’s response to its casino seems to vacillate between neutral and positive, relations between city government and the casino have lately become tense over the lack of the promised hotel.

Angered by reports that the Sands Corp. is considering a new casino development in Florida before it fulfills its commitment to Bethlehem, Callahan went before the Pennsylvania Gaming Control Board in February and asked them to tie renewal of the Sands gaming license to completion of the hotel. The license is up for renewal this year, and, as of this writing, the board was still considering the mayor’s request.

Speaking for the Sands, DeSalvio says reports that the casino is building elsewhere are overblown. “We are always on the lookout for new possibilities, yes, but we have not announced a casino in Florida,” he says.

And he says the casino hasn’t committed to a restart date because they don’t know when new capital will be available. “We can’t do it out of internal cash flow, and the banks haven’t been willing to lend in order for us to restart building,” he says. The company has spent \$743 million on Bethlehem so far and needs another \$100 million to finish the hotel. It reported an operating loss of \$1.16 million during the last six months of 2009.

In early March, Las Vegas Sands Chairman and CEO Sheldon Adelson, a Massachusetts native who has been rumored to be interested in building a Bay State casino, issued a press release declaring that the company was “mobilizing” to resume construction. The release was carefully worded and made no specific promises, stating

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only that the company “could restart construction on the 300-room hotel tower within the next several weeks, or as soon as subcontractors are lined up and activated.”

ADDICTIVE BEHAVIOR

While the mayor simmers over the absence of promised tourism revenues, other problems may be simmering in the city, just as opponents predicted they would. Compulsive or problem gambling—a kind of addiction that can lead to bankruptcy and foreclosures—appears to be on the rise in Pennsylvania. Jim Pappas, executive director of the Council on Compulsive Gambling of Pennsylvania, says calls to his statewide hotline have nearly doubled since Pennsylvania’s first casinos opened in 2006. During the years when residents had to go to New Jersey to gamble, he’d get 600 or 700 calls a month. Now, he says he’s getting 1,300. (Like its Massachusetts counterpart, Pappas’s organization is neutral on legalized casinos; it exists only to help problem gamblers.)

Despite the argument advanced by casino proponents in Massachusetts—namely, that people will gamble anyway and why let the dollars go to Connecticut—Pennsylvania’s experience suggests that proximity counts: If the

casino is just a mile away, residents with addictive tendencies will go more often, and lose more of their families’ rent and grocery accounts, than if they had to travel 100 miles. National studies have indicated that the “proximity effect” is not unique to Pennsylvania; a 1999 study found the rate of problem gambling to be twice as high within a casino’s 50-mile radius than outside that area. (See “Hitting the Jackpot,” *CW*, Spring 2005.)

Mayor Callahan says he’s not aware of additional gambling problems in Bethlehem, but acknowledges, “It’s early. People will say that compulsive gambling and other social consequences take some time to be seen.”

Still, the big sticking point in Bethlehem remains the hotel. And it’s a sticking point worth noting for all in Massachusetts who see “resort casinos” as the solution to economic woes: they may bring some revenues and they should, at the very least, not be costing more in municipal services than they provide in revenues. But just as the negative effects, like problem gambling, may take a long time to show themselves, sustainable profits—and jobs—may also be slower to arrive than expected.

As Tony Hanna, Bethlehem’s economic director puts it, “The Sands will be a billion-dollar project someday. We’d just hoped it would be a billion-dollar project now.” **CW**

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Hidden treasure

The state's library and archives are underfunded, understaffed, and inaccessible to both researchers and ordinary citizens

BY COLMAN M. HERMAN

A sense of awe envelops Nancy Powell as she waxes eloquently about *The Birds of America*, a multi-volume set of John James Audubon's hand-painted prints of life-size images of 435 birds like the ruff-necked hummingbird, the cerulean warbler, and the gold-winged woodpecker.

"It is a staggering accomplishment," says Powell, the curator at the Audubon Center in Audubon, Pennsylvania. "If you have a chance to see an original set of Audubon prints, nothing beats the experience. It is hard to wrap one's mind around it until you actually see them."

But that's difficult in Massachusetts, even though the state owns one of the 200 or so sets of prints that Audubon

produced. The state's copy—purchased in 1833 for \$800 and worth millions of dollars today—is stored deep in the bowels of the State House, largely hidden from public view because the State Library doesn't have the funds to exhibit it.

It's an all-too-familiar pattern in Massachusetts. The State Library and the Massachusetts Archives oversee a vast treasure trove of historic records and artifacts. They handle the basics of cataloguing them well, but they are woefully underfunded and, as a consequence, mount few exhibitions and do very little public outreach. They don't have the resources to pursue lost, and likely stolen, items. And while other states are using the Internet to bring historic records to the public, the library and archives in Massachusetts operate websites that are little more than card catalogues for their collections.

"The State Library has

an amazing collection. Some of the things there are priceless," says Joffrey Smith, a member of the library's board of trustees and a Worcester city councilor. "But the public has no idea that it exists. We need to do a much better job telling the public we're here."

William Fowler, a professor of history at Northeastern University and a former member of the archives advisory board, says the archives, overseen by Secretary of State William Galvin, is suffering from neglect. "It is scandalous that Secretary Galvin and the Legislature pay so little attention to the archives, which has one of the most incredible historical collections in the country," he says. "I do not understand why they are not willing to invest in the archives. It's a sad situation. It's a very sad situation. They are neglecting our history."

Galvin declined comment, but a top aide, Alan Cote, says funding is tight because there is little support on Beacon Hill for many of the tasks the archives performs. "We do the best we can with what they give us," he says.

It's gotten to the point where professional librarians and archivists alike are starting to wonder whether the state would be better off loaning out or selling off pieces of its collection to institutions willing and able to exhibit them properly.

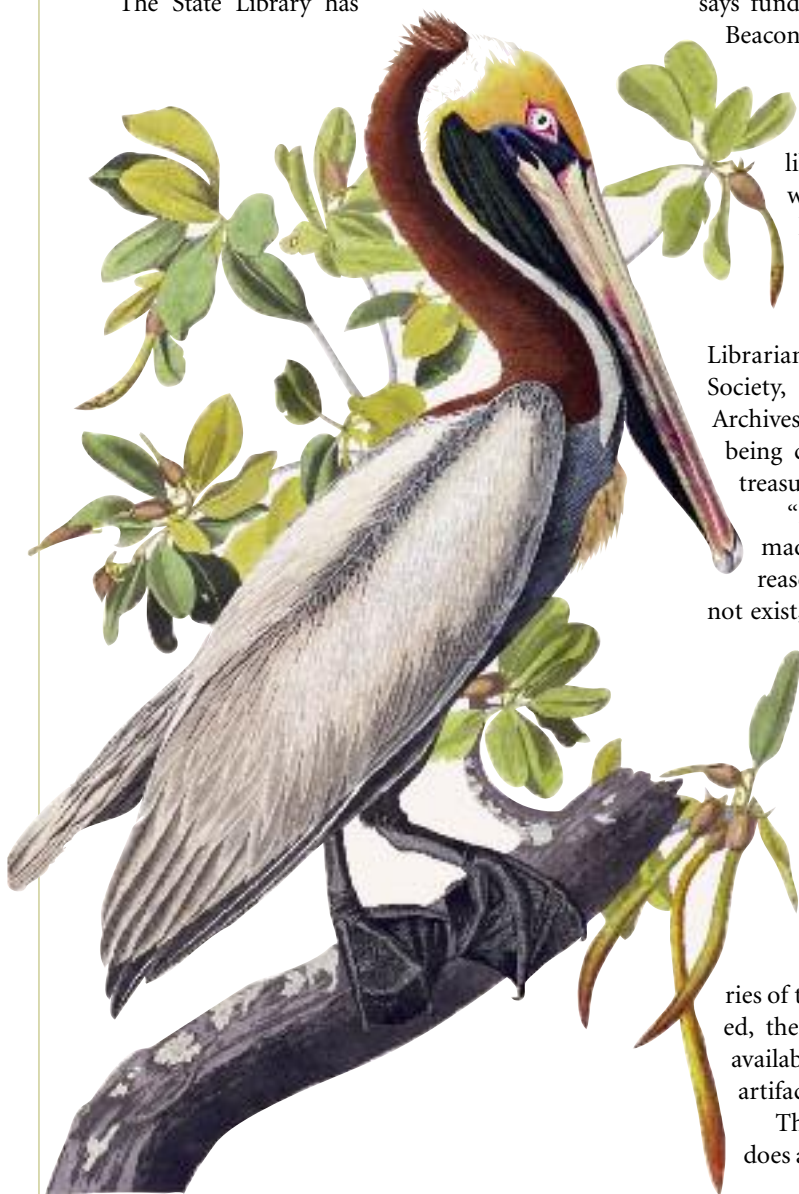
Peter Drummey, the Stephen T. Riley Librarian at the nonprofit Massachusetts Historical Society, says the challenges facing the Massachusetts Archives and the State Library are the same challenges being confronted by many repositories of historical treasures across the country.

"If research collections are not protected and made available to the public in a responsible but reasonably convenient manner, they might as well not exist, and I would predict that in the not-very-long term they won't," Drummey says in an email. "The question then becomes whether to change the priorities of institutions and/or to rationally redistribute their holdings, or to see collections lost to neglect or worse."

DREARY AND UNINVITING

The Massachusetts Archives and the George Fingold State Library, named for a former attorney general, are the two primary repositories of the state's documents and artifacts. Broadly stated, their mission is to collect, store, preserve, make available for individual use, and showcase records and artifacts that document and reflect the state's history.

The distinction between what the State Library does and what the Massachusetts Archives does is lost



on most people. Officials acknowledge their duties overlap, but the primary job of the archives is to collect primary source material—the permanent, noncurrent records of state administrations—whereas the library gathers secondary source, or published, materials.

The state archives is a fortress-like building that is rapidly running out of space for new documents.

The library, part of the governor's executive office of administration and finance, was established in 1826 by the Legislature because so many documents were literally piling up in the halls and chambers of the State House that lawmakers needed to find some place to put them.

Located on two separate floors of the State House, the library features a cavernous main room with publications allowing you to track the history of any piece of state legislation. There are many other state and some federal

publications available as well. The library's "special collections," located in the basement of the State House, include rare books and maps, broadsides, the Audubon prints, and William Bradford's manuscript history of Plymouth Colony from its founding to 1649.

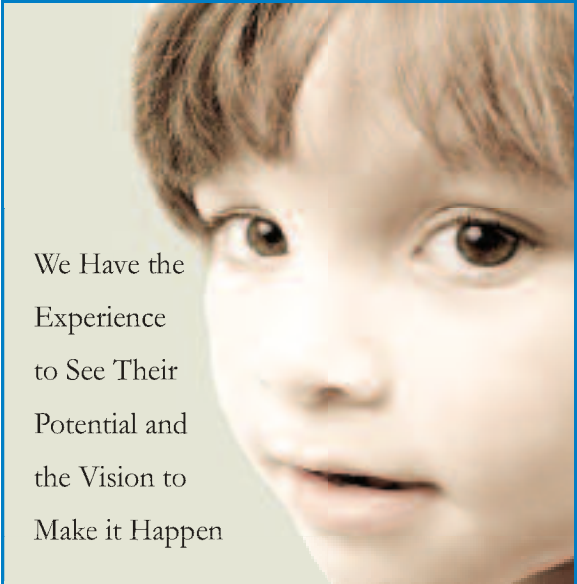
The special collections room can best be described as dreary and uninviting. The storage areas may also not be safe for the many priceless documents. "Proper storage of the collection is a major problem," says Sharen Leonard, a library trustee. "The humidity control in the basement is not good. It's less than ideal conditions."

The Massachusetts Archives used to be located at the State House. But after the state's oldest document—the 1629 Charter of Massachusetts Bay—was stolen in 1984, the decision was made to build a new archives near the John F. Kennedy Library and Museum at Columbia Point in Dorchester. It is a fortress-like building that is rapidly running out of space for the paper records it is required by law to hold. Also at the facility are the State Records Center; the Commonwealth Museum, a sister agency that maintains an interactive exhibit on the history of Massachusetts and displays



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founding documents; and the Massachusetts Historical Commission, whose mission is to identify and preserve historic buildings.

The archives caters to a wide constituency, everyone from historical researchers to the reporters who sorted through former Gov. Mitt Romney's records when he ran for president. The bulk of visitors, more than 12,000 a year, come to trace their genealogy using birth, death, and marriage certificates, as well as immigrant passenger manifests.

The Massachusetts Archives counts among its treasures the state's own copies of the Declaration of Independence and the Bill of Rights, the 1780 Massachusetts Constitution, the recovered 1629 charter, and Revolutionary and Civil War records. It also has numerous documents signed by the likes of George Washington, John Adams, and John Hancock, as well as treaties made with Native American tribes, and slave and witchcraft records. There are also many artifacts, including Paul Revere's engraving plate of the Boston Massacre, and military accouterment from the Civil War to World War I.

But as rich as the archives and library are in terms of history, financially they have not done well, particularly during the recent economic downturn. There was even talk of shutting the library down last October, but it survived with a state appropriation of \$709,000, a 45 percent reduction from the previous year. Gov. Deval Patrick is proposing to cut \$24,000 more from state funding for the next fiscal year. The number of library employees has fallen from 17 in fiscal 2008 to 10 this year and is expected to drop to nine next year. Elverney Johnson, the head librarian, is paid \$100,000 a year.

The state appropriated \$390,000 for the archives this year, a 29 percent reduction from the year before. State funding overall for the archives, the archives facility, and Commonwealth Museum is \$951,000. The three agencies together, all overseen by Galvin, employ 26 people, with 12 at the archives, according to budget records. John Warner, the head archivist, makes \$66,634 a year.

The archives budget appears to be one of the lowest in the country. Massachusetts did not respond to a 2008 survey conducted by the Council of State Archives, but its \$550,000 budget for that year would rank it above only two of the 27 states that did report financial data. Comparing Massachusetts with the six states listed in the survey whose archives are managed the same way, Massachusetts ranked next to last. The Bay State was ahead of New Hampshire, whose budget then was \$418,000, but well behind states like New Jersey (\$33 million), Washington (\$11.9 million), and Delaware (\$2.5 million).

Sam Reed, the secretary of state in Washington, which has roughly the same population size as Massachusetts, says he constantly uses "my bully pulpit" to advocate for

his archives. As for Massachusetts, he said, “I’m shocked to hear that a state with such an amazing collection has such a small budget.”

Warner says Washington’s archives operates very differently from the Massachusetts Archives. “Comparisons are rather invidious, in my opinion,” he says.

EXHIBITS FEW AND FAR BETWEEN

The key to running a successful archives or a state library is not simply storing historic documents and artifacts, but also introducing the materials to the public in an interesting and entertaining way. Across the country, state libraries and archives regularly host exhibits using their collections, and more and more of them are digitizing their holdings and presenting exhibits online.

“Fewer people are coming in to our physical location to view our collection,” says Bobbie Athon, public information officer for the agency that oversees the Kansas archives. The archives recently mounted an online exhibit called “Kansas War Letters,” which showcased letters sent to loved ones back home by soldiers who fought during conflicts ranging from the Civil War to the Vietnam War.

Visitors to the Maine State Archives website can view



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a wide range of documents, everything from a letter written by Daniel Webster to the governor of Maine to a mundane petition by George Woodcock seeking permission to change his name to George Woodman. There's even a photo of Red Sox slugger Ted Williams fishing in Maine.

The Alabama Department of Archives and History, the first state archives in the nation, posts a lot of its documents online, including former Gov. George Wallace's 1963 inaugural address in which he proclaims: "Segregation today, segregation tomorrow, segregation forever."

"Our online presence is now our primary tool of service to the state as well as to people out of state," says Edwin Bridges, director of the Alabama Archives. "It makes it far more convenient for the people we serve, and it frees up our staff to do other things."

Sandra Treadway, the head librarian at the Virginia Library, which includes the state's archives, says her state's investment in a virtual online archives has paid off. "We find that researchers love the ability to do online investigation of our holdings on their own, and those who still need to visit us to use the collections in person are much better prepared and focused than they would be if they

could not do preliminary reconnaissance," she says.

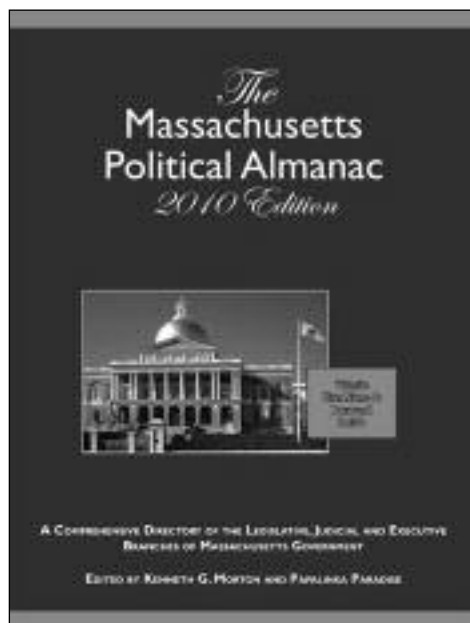
In Massachusetts, the archives and State Library are trying to keep pace, but their limited budgets make it difficult. Exhibits at the archives are few and far between, and its website is basically a card catalogue of its collection. "The website is so basic it gives the impression that no one in government cares about it," says Tom Now, mar-

The archives and library are trying to keep up with other states, but limited budgets make it difficult.

keting director for Website Marketing Now of Arlington.

The archives, through its sister agency, the Commonwealth Museum, has a permanent exhibition titled "Our Common Wealth: The Massachusetts Experiment in Democracy," which attracts many student field trips.

The State Library, working with the library at the University of Massachusetts at Boston, has put more than



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250,000 of the state's acts and resolves online. It is scanning maps and manuscripts for an exhibit on transportation in the 19th and 20th centuries and it also mounts exhibits in glass cases just outside the library itself. The current exhibit is titled "Holyoke: Queen of Industrial Cities" and consists of papers written by a former state representative named Walter DeFilippi, a few maps, and some pictures of Mount Tom. The Holyoke exhibit is not viewable online.

"They are really amazing treasures that we have, and these are the people's treasures," says Johnson, the head librarian. "I would love, love, love to show everything we have, but we don't have the ability to do that. We don't have that type of security in our cases."

Both the library and the archives say they will bring out their historic treasures upon request by members of the public. Alison Singer, an intern at MassINC, put in a call to the archives and asked to view engravings done by Paul Revere that are stored in the archives vault. Michael Comeau, the assistant archivist, told Singer she could set up an appointment to come in and look at them.

I wasn't so lucky. I asked to see the Audubon prints, but Johnson, the head librarian, declined, saying they were fragile. I called the library at a later time and asked staffer Lacy Crews if I could take a look at a few of the Audubon prints. When a week passed without word, I followed up and was told by Crews that Johnson said, "I'm not bringing up the Audubon prints for anybody." Johnson later denied saying that, insisting that people can see the Audubon prints by making an appointment to come in. When asked about the discrepancy, Crews said, "It has been standard policy not to show the prints."

Outside experts say the state's historic treasures should be displayed for everyone to see. "If they're not going to put the prints on display, they probably should sell them," says Robert Newman, owner of the prestigious Old Print Shop in New York City. He says the last two sets of Audubon prints that were offered for sale netted their owners between \$9 million and \$12 million.

Treadway, the Virginia official, says public exhibition is always the goal. "If we have it, we will show it, unless there are legal restrictions, or the documents are still being processed," she says. "We are the stewards for the people."

WHERE HAVE YOU GONE, JOHN HANCOCK, ET AL.?

Sometime in the 1940s, the Massachusetts Archives discovered that close to 400 documents from the 17th and 18th centuries documents were missing from its main collection. The documents included letters written by George Washington to John Hancock while Hancock was governor of Massachusetts, as well as letters from other luminaries such as John Adams, Paul Revere, Benjamin

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Franklin, Benedict Arnold, John Paul Jones, Abigail Adams, John Jay, and Marquis de Lafayette.

"There are certainly unidentified items that are missing from other series as well," says Comeau, the assistant archivist. Martha Clark, the archives curator, says she lacks the resources to monitor eBay and other websites for dealers trying to sell documents belonging to the state.

Johnson, who has been head librarian at the State Library for the past two years, says she has no idea if anything is missing from its collections.

Other states are far more aggressive in pursuing missing documents. The Texas Archives, for example, lists its missing documents on its website, with the notation, "This list is published to create a greater public awareness, should any of these records be offered for sale."

In 2005, North Carolina became involved in an FBI sting operation to recover its copy of the Bill of Rights that was stolen from the State Capitol by a Union soldier in 1865. The matter wound up in court, which, after a lot of legal wrangling, ruled in the state's favor.

Jeffrey Crow, head of the North Carolina State Archives, says that the court's decision underscores two important principles: Public records created by the state belong to the people of North Carolina, and North Carolina will not pay

to have its public records returned. "We don't apologize for going after what belongs to us," Crow says.

INNOVATIVE FUNDING ELSEWHERE

Budget shortfalls are not unique to Massachusetts. Other state archives and libraries have been innovative in securing funding for their operations. The Maine State Archives, for example, has an online store where people can purchase prints and posters of items in the archives' collection. David Cheever, the head of the Maine Archives, says that the revenue from the online store is used to purchase supplies and equipment.

The Alabama Archives sells autobiographies of some of its famous citizens, including Rosa Parks, Hank Aaron, Nat "King" Cole, and Paul "Bear" Bryant. The Maryland Archives will conduct specialized research for \$50 an hour, while the South Carolina Archives will even do conservation work such as book repairs and encapsulations of documents for a fee.

Many states, including Georgia, Indiana, and Maryland, have groups that raise money for special projects. The Friends of the Maryland State Archives, for example, helped raise \$625,000 in private matching funds to

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acquire George Washington's personal copy of the speech he gave to the Continental Congress in 1783 at Annapolis, Maryland, in which he announced his resignation as commander-in-chief of the Continental Army. The Massachusetts Archives doesn't have a "friends" group; the State Library has one, but no filing was listed for it with the attorney general's charities division.

Some states, including Virginia, Texas, and Florida, consolidate their archives and library under one organization. Treadway, the head of the Virginia Library/Archives, says researchers like having the records all in one place.

"The advantages to having the library and archives within one organization are huge," she says. "There are vast economies in the support services—HR, IT, fiscal services,

Some states run their archives and libraries under one organization.

etc.—by the state having one organization, not two, to cover the library and archival functions."

New York established the New York State Archives Partnership Trust, a quasi-public entity focused on raising government and private money. Christine Ward, chief executive of the Archives Partnership, says the trust doesn't raise money for the archives' core functions but instead finds funding for projects with a strong educational component.

None of these approaches have been tried in Massachusetts. In addition, the Massachusetts Historical Records Advisory Board, which is coordinated by Warner as the head state archivist, was dormant for years. The board was set up to serve as the review body for grant proposals submitted to the federal government's National Historical Publications and Records Commission, but the last grant the board received was in 2004. The state body was recently reactivated at the urging of the national commission's executive director, Kathleen Williams.

Fowler, the Northeastern history professor, says one of the problems at the Massachusetts Archives is its management. He says Warner, the head archivist, "exhibits no leadership skills and has no vision."

Warner brushes off Fowler's criticisms by saying the archives are much better off today than they were before he arrived. But when asked about his biggest challenge, he acknowledges the difficulty he faces by using a biblical reference to doing a job without the proper resources. "You're kind of making bricks without straw," he says. **CW**



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Misdiagnosis

The ratings given to Bay State nursing homes are not as informative, or as consistent, as they may first appear

BY LISA CHEDEKEL

IT'S ONE THING to use five-star ratings to rank restaurants and movies, but is it possible to rate nursing homes the same way?

The federal government thinks it is. Just over a year ago, the Centers for Medicare & Medicaid Services (CMS) launched a new five-star rating system, available on its Nursing Home Compare website, that assigns star rankings to the more than 15,000 homes across the nation that accept public insurance. The rankings range from one star, for a home much below average, to five stars for a home much above average.

This system was intended to make it easier for families to research and compare nursing homes. But an analysis of the ratings for the 428 licensed homes in Massachusetts reveals flaws that can make the ratings misleading and confusing, in some cases disguising serious problems.

Within the January 2010 ratings, some homes receive top overall scores despite significant patient-care deficiencies. Because the ratings are based on a complex formula that weighs a number of factors, families who rely on the overall ratings to choose a nursing home may be missing critical information.

Ratings are heavily weighted by nursing home inspections, conducted by state



surveyors, that vary considerably in scope and depth from state to state. National data show that Massachusetts homes overall benefit from a kind of grade inflation, driven in part by the relatively few citations of deficiencies given by the state Department of Public Health.

The uneven quality of the rating system led Martha Coakley and the attorney generals of 29 other states to petition CMS last year to suspend and revamp the five-star system. They argued that the system does not allow consumers to compare nursing homes across the country because facilities are graded on a curve within each state.

Some industry officials and consumer advocates say the rating system is well-intentioned but flawed. "This falls pretty short of being able to provide consumers with

useful and complete information," says Elissa Sherman, president of the Massachusetts Aging Services Association, whose members include the owners of not-for-profit nursing homes. "There's not only inconsistency from state to state, there's inconsistency within the state, depending on who's doing the inspections."

Edward F. Mortimer, technical director of the Survey and Certification Group for CMS, says the system is not intended to compare homes across state lines. He also says the star ratings should be only the starting point in the search for a nursing home, and he urged consumers to dig deeper into the information provided on the website and to visit homes in person.

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The ratings can be misleading and confusing, in some cases disguising serious problems.

Mortimer says. “Consumers should look closely at inspection history, staffing levels, and quality measures and use this information as a springboard for a conversation with the administrator of a nursing home.”

QUOTAS MAY SKEW RESULTS

National data show that Massachusetts nursing homes are rated considerably higher than homes in most other states. What’s unclear is whether the homes are actually better or their scores are fueled partly by grade inflation.

Of the 428 Massachusetts nursing homes included in the Nursing Home Compare ratings in January, 79, or 18.5 percent, received the highest rating of five stars—

compared to 13 percent of nursing homes nationally. Only 62 Massachusetts homes, or 14 percent, received a one-star rating—well below the national average of 20 percent.

Part of the reason Massachusetts nursing homes rank so high is that they do well on state inspections and quality-of-care measures. On the federal website, each nursing home receives an overall star rating, but that rating is derived from stars awarded in three sub-areas. The most weight is given to results of the last three years of inspections, which are conducted in person by state surveyors every nine to 15 months.

The rating from inspection results is then adjusted up or down depending on two other categories: staffing levels and quality-of-care measures, both of which are self-reported by the nursing homes. Quality-of-care measures gauge key aspects of residents’ health, including the percentage whose mobility declines, whose need for help with daily activities increases, who are physically restrained, and who lose too much weight.

Some long-term-care advocates complain that the ratings are also subject to a quota system that, they say, skews the results. Under CMS rules, homes that rank in the top 10 percent in health inspections in each state receive five-star ratings in the inspection sub-area, while

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the bottom 20 percent receive one-star ratings. The quotas can allow homes with serious deficiencies to score high, as long as their inspection records are better than their peers, while homes with minimal problems could be pushed into the below-average tier.

“The quota system is a real problem,” Sherman says. “[Homes] are purposely put on a bell curve, which isn’t always representative of their actual performance.”

Some reports suggest that Massachusetts surveyors may not be as thorough in citing nursing homes for deficiencies as their peers in other states. A 2008 report by the inspector general of the Department of Health and Human Services found that Massachusetts ranked the second lowest nationally in the proportion of nursing homes that are cited for deficiencies—80.3 percent in 2007. Thirty-five states had citation rates of greater than 90 percent.

The report also found that Massachusetts health inspectors reported fewer deficiencies in the nursing homes they surveyed than did inspectors in most other states—5.5 per home, on average, compared to nine in Connecticut, eight in Vermont and 13.3 in Delaware.

Only 14 states had lower deficiency averages than Massachusetts in 2007.

The relative lag in citations of deficiencies is notable because Massachusetts fares poorly in national comparisons of some quality measures that can indicate problems in care. According to CMS data from the third quar-

Massachusetts homes are rated highly, but it’s unclear whether grade inflation is fuelling scores.

ter of 2009, Massachusetts had the 12th highest rate of nursing home residents who were physically restrained, and the 18th highest rate of residents whose mobility declined.

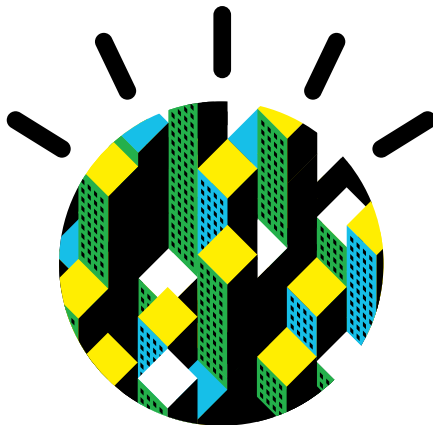
In addition, a November 2009 report by the US Government Accountability Office cited Massachusetts as one of four states in which a high proportion of state health inspectors—more than 40 percent—reported that the

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process for resolving disputed deficiencies favored the concerns of nursing home operators over residents' welfare.

Alice Bonner, a nurse practitioner named director of the quality bureau at the Massachusetts health department last October, said that while Massachusetts reports fewer overall deficiencies per home than other states, state inspectors cite serious deficiencies—those that cause actual harm to residents—at almost twice the national rate.

"If you're being judicious in how we use the resources we have," she said, noting reductions in survey staff in recent years, "it would make sense to target lower-performing facilities, as opposed to just a broad brush where we look at all facilities."

She acknowledged that there is "a lot of inconsistency" among surveyors, both within the state and nationally, and that consistency is "something we'll continue to strive for" in the department. She also said that Massachusetts nursing homes enjoy high ratings nationally because overall, their staffing levels and quality of care scores are strong.

"It's a very tricky business to get the ratings right," she said. "What we currently have is a very rough cut on this data and not a very precise matrix."

OVERALL SCORES MASK FLAWS

The uneven quality of ratings from state to state that was cited by the attorney generals is easy to see in a check of national data.

For example, a home in Rhode Island that received five stars for nursing care—the Alpine Nursing Home—provides one hour and 24 minutes of licensed nursing staff care per resident per day, the same as the national average. But a home in Tennessee, called Bethesda Health Care Center, which provides more licensed nursing staff care per resident—one hour and 38 minutes—received only two stars for staffing.

CMS officials said that, generally, ratings on staffing look not only at hours of care, but also take into account the overall needs of a home's patient population, which can range from minimal to excessive. Still, CMS national data show that, regardless of patient care needs, staffing levels vary widely from state to state; the daily average of direct-care staffing per patient ranges from three hours in Illinois to 5.7 hours in Alaska.

"We strongly support a nationwide criterion-referenced evaluation methodology for establishing proficiency at all levels for nursing homes, as opposed to the normative state-by-state methodology presently utilized by CMS," Coakley and her peers argued in their petition.

Even within individual states, the weighting of the different factors that go into a star rating means that some nursing homes can score high overall yet still have serious deficiencies. In Massachusetts, dozens of nursing homes

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that receive four or five stars nevertheless have deficiencies that consumers should be aware of. Some of these deficiencies are outlined on the federal website, but others are not. The only way a consumer can learn about them is to request detailed state inspection records.

A total of 51 Massachusetts nursing homes received “above average” overall ratings as of January, despite “below average” or “much below average” scores in quality-of-care measures, staffing, or health inspections. Some homes that received the above-average overall ratings had health care deficiencies that resulted in serious injuries of residents.

The Maristhill Nursing & Rehabilitation Center in Waltham, which received four stars, was cited for multiple deficiencies in a 2009 inspection, including negligence that caused “actual harm” to residents, according to inspection reports obtained from the state Department of Public Health. The reports indicate that the facility failed to provide adequate supervision for three residents at risk of falling. All three suffered falls resulting in fractures, lacerations, and other injuries. In one of the cases in which the staff was faulted for failing to keep a resident in a supervised area during the day, the resident was found on the floor of her room “in a large puddle of blood,” suffering from a head laceration that required five sutures.

The nursing home was also cited for medication errors, failing to provide diabetic foot care, and failing to ensure that food served to residents was “palatable” and served at the proper temperature, records show.

Maristhill administrators said by phone and in documents that they took steps to correct all of the deficiencies, including taking precautions to prevent injuries among “a number of very frail, ill residents” who were prone to falls.

Roscommon Extended Care Center of Mattapan, which also received four stars overall, was cited in March 2008 for serious deficiencies that caused “immediate jeopardy to resident health or safety.” An inspection report shows that the home failed to properly monitor a 76-year-old resident who was suffering from dementia and who had a history of “elopement,” or wandering away from the facility. The resident was found in the early morning of February 11, 2008, at a train station three miles away from the nursing home, dressed only in a “johnny” and jeans, in sub-freezing weather. He was taken to a hospital where he was treated for hypothermia.

According to the report, a nurse on duty acknowledged that she knew the man was not wearing his “wander-guard” bracelet; the report also indicated that the home was understaffed. The incident led federal officials to fine the home \$5,850 and to deny federal payments for new admissions for two weeks. The home filed a corrective plan and has been cited for several less serious defi-

ciencies since then.

The Golden Living Center in West Newton also received four stars overall in January, despite a below-average rating on health inspections stemming from numerous deficiencies in recent surveys. Among the citations in a December 2008 inspection was the failure of the facility to investigate a resident's claim of sexual harassment by a roommate and

pressure ulcers or bedsores—more than triple the national and state average of 14 percent. Similarly, TCU–Brockton Hospital received four stars overall but got only one star on quality measures, in part because 36 percent of short-stay residents suffered from bedsores—more than double the state and national average.

Even some homes that received the top rating of five stars overall had below-average ratings on quality measures or staffing. The Jewish Rehabilitation Center for the Aged of the North Shore in Swampscott received only two stars on quality measures, including a higher-than-average proportion of long-stay residents whose need for help with activities of daily living increased.

The Tremont Rehabilitation & Skilled Care Center in Wareham also secured a five-star rating, despite the fact that registered nursing hours per resident per day fell far below the state average. The home provided 25 minutes of registered nursing care per resident per day, compared with the national average of 36 minutes and the average in Massachusetts of 42 minutes, according to a 2009 report.

One trend highlighted by the federal star ratings is the

Even some homes that were awarded five stars still got sub-par ratings on quality or staffing levels.

failure to follow care plans for some residents needing special care to prevent illness and injuries, records show. The home filed a plan to correct the deficiencies.

Emerson Rehabilitation & Transitional Care Unit in West Concord received four stars overall, but it received only one star (“much below average”) for quality measures. Nearly half of all short-stay residents suffered from



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overall superiority of nonprofit nursing homes compared with for-profit homes, both in Massachusetts and nationally.

Among for-profit homes in the state, only 45 percent received four or five stars overall, compared to 61 percent of nonprofits. Nonprofits also did better on health inspections, with 45 percent receiving four or five stars, compared with 32 percent of for-profit homes.

But the difference is most striking on staffing levels. Only 55 percent of for-profits received four or five stars for staffing, compared with 87 percent of nonprofits. Only 7 percent of for-profit homes received the top rating of five stars on this measure, compared to 27 percent of nonprofit homes.

The state ratings mirror national results. A statistical review of nursing home research studies, published last year in the *British Medical Journal*, found that nonprofit homes, most based in the US, had more or higher-quality staffing, less prevalence of pressure ulcers or bedsores, and less frequent use of physical restraints. Experts say non-profits are able to devote more resources to patient care since they have no profit margins to meet.

According to federal data, more than 70 percent of Massachusetts nursing homes are for-profit—the 19th highest proportion of for-profit homes among the 50 states.

The percentage of for-profit homes has climbed slightly in recent years; in 2003, 68 percent of Massachusetts homes were for-profit.

DIGGING BELOW THE STARS

Elder-care experts and industry officials say the federal ratings are helpful, but only as long as consumers dig below the “stars” for detailed information on deficiencies, staffing, and quality.

“The rating system is useful, but it shouldn’t be the end of the story,” says Eric Carlson, a specialist in long-term-care issues at the National Senior Citizens Law Center and a leading consumer expert on nursing homes.

Janet Wells, director of public policy for an advocacy group called the National Consumer Voice for Quality Long-Term Care, agrees that while the rating system is a useful tool for consumers, it allows for “some huge outliers,” including some four- and five-star homes that have been cited for negligence that resulted in deaths or injuries of patients.

“People need to look at the star ratings as a way to ask questions, not as getting all the answers,” Wells says. She also noted that staffing information is questionable



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because it is “self-reported” by homes, despite advocates’ longstanding efforts to push CMS to use payroll records to determine accurate staffing levels.

W. Scott Plumb, senior vice president of the Massachusetts Senior Care Association, which represents nurs-

‘People need to look at the star ratings as a way to ask questions, not as getting all the answers.’

ing homes, says the rating system is a mixed bag.

“On the one hand, we [Massachusetts] look really good compared to other states, so we like it,” he says. “On the other hand, I don’t think it’s particularly useful, partly because it’s driven so much by the survey process, which is not a good proxy for the actual quality of patient care. Staffing and quality measures are in some ways more objective measures.”


Plumb says he is especially concerned that hospitals,

lenders, and even insurance companies are starting to use the ratings to make decisions about nursing home performance. “We’re starting to see some groups attach too much significance to this thing, with all its warts,” Plumb says. “Our concern is that it’s starting to be used inappropriately.”

The Massachusetts Department of Public Health has its own website with information on nursing homes, including a tool that shows deficiencies and enforcement actions from the last three standard surveys and that evaluates homes in five areas: administration, nursing, resident rights, kitchen/food services, and environment. The website (www.mass.gov/dph) also includes nursing home satisfaction sur-

veys, conducted in 2005 and 2007.

“The very best way to assess a nursing facility is to visit it,” advises Ann Harstein, the state’s secretary of elder affairs. “Be sure the facility’s services meet the patient’s needs. Visit the patient floors. Are they clean? Do the patients seem engaged? Is the staff accessible and friendly? Talk to patient family members and talk to the local ombudsman, whose name should be prominently displayed at the facility.” **CW**



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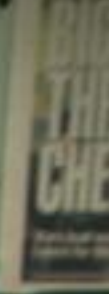
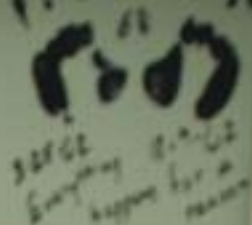
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Boarding school behind bars

The Department of Youth Services is charged with educating our incarcerated youth, but the hurdles it faces are enormous

BY JACK SULLIVAN | PHOTOGRAPHS BY MARK OSTOW

School is a prison

for more than 1,800 Massachusetts young people each day. They get up, have breakfast, and go to class from 8:15 in the morning until 2:30 in the afternoon. It's a familiar routine to any student, but what's different for these youths is that it all takes place within the confines of

what the state Department of Youth Services calls a secure treatment facility. It's basically a boarding school behind bars.

The children range in age from 12 to 18. Many have committed serious crimes, including robbery, assault, and rape. They can't be sent to prison because they are juveniles,

Wallace "Wally" Jones, one of the teen residents of the DYS Goss Secure Treatment Facility, is frisked as he leaves a classroom to be sure he has nothing that could be used as a weapon.



Wally Jones gets some help from a teacher on an algebra problem during math class.

so they are sentenced to DYS treatment facilities where the state is required to educate them as well as incarcerate them.

On the outside, educators talk about the achievement gap between students in poorer, urban districts and their counterparts in wealthier, suburban areas. But inside these DYS facilities the achievement gap is off the charts. Many of the kids have had little formal schooling. More than two of every five require special education assistance. Many have big-time attitudes. One morning last month at a secure treatment facility in Taunton a boy was playing solitaire on a computer when he was supposed to be studying. He tells me he's not worried about being caught. "What are they going to do? Put me in prison?" he asks.

The \$148 million DYS budget reflects the agency's priorities. More than 90 percent goes toward incarceration, treatment, and administration; only about 8 percent goes for educational services. It works out to about \$8,000 per student per year, or half as much as what the state's 10 largest urban school districts spend on their students.

DYS officials fully acknowledge that public safety is their first priority. But they say their educational function

is also important. If young criminal offenders can get an education and develop a plan for the future, they might be able to turn their lives around and avoid committing another crime and ending up in adult prison.

"An employed, educated youth is, hopefully, someone who's not going to reoffend," says Christine Kenney, the DYS director of education. DYS Deputy Commissioner

One boy played solitaire on a computer instead of doing schoolwork. 'What are they going to do?' he asked. 'Put me in prison?'

Edward Dolan adds, "We don't see ourselves as being in the punishment business. When a kid gets committed, the clock's ticking and we're running out of time."

But a look inside one of the 60 DYS treatment facilities shows just how difficult it is to reconcile the roles of



DYS students must turn their pockets inside out and are patted down by a group worker as they leave each class.

jailer and teacher. Kids are not grouped by age or grade-level ability but instead by their crimes, their trial status, and how long they are expected to stay. As they move from one class to the next, they have to turn their pockets inside out, spread their arms and legs out, and get patted down by a guard who makes sure no one is taking anything out of a classroom that can be used as a weapon. Homework, an integral part of the learning process at any school, is not part of the program because pencils and books are banned in cells. It's a very different type of school.

"I give [DYS] credit for trying," says Barbara Kaban, deputy director of the Children's Law Center, a Lynn-based nonprofit juvenile legal services agency. "These kids are sort of the bottom of the barrel. Nobody wants to spend money on these kids. DYS has been a dumping ground for a lot of the society's unwanted kids for a long time."

A DIFFERENT ATTITUDE

Put Wallace "Wally" Jones back in the halls and classrooms of Lynn High School and he's another poor black teenager struggling to overcome his background and his learning

disabilities while taming his rebellious, aggressive ways.

But in the Goss Secure Treatment Facility at the Department of Youth Services in Taunton, Jones is a success story. He came to DYS two years ago at 16 with a second-grade reading level. He says he still doesn't like to read and he struggles with simple fractions in his special education class. But officials say he has passed his English, math, and history MCAS exams, qualifying him for his diploma. Most important, his attitude is different today than it was back in Lynn.

"I was just a crazy kid, running around, messing with the other kids, picking on them," says the 6-foot-2-inch 18-year-old. "That's not me [now], dude. I know what's right from wrong.... My mom says it's good to be right."

DYS asked Jones to talk to me to show how far its educational program has come since 2001, when a report to the Legislature said the agency was failing miserably in educating children committed to its care. Teacher turnover at that time was 70 percent. Most teachers weren't licensed. Instruction was haphazard from facility to facility because each one was run by a different private vendor. There was "little evidence of consistency across programs for curriculum content, teaching methodology, or student learning expectations," according to the report.

Changes began two years later. DYS hired two private nonprofit corporations—the Commonwealth Corporation and the Hampshire Education Collaborative (HEC)—to coordinate and unify the educational curricula at DYS facilities across the state. DYS Commissioner Jane Tewksbury says the agency committed to embracing the state’s education reform requirements and its curriculum frameworks, and it also set about hiring and developing a professional staff.

The pay for teachers was increased by 69 percent in 2003. They now earn \$42,000 a year on average, which is about \$10,000 less than the statewide average. Still, it’s well above the \$20,740 base salary and the \$33,865 top salary that existed in 2001. DYS teachers used to work year-round for lower pay. Now they work a 180-day school year, similar to their public school peers, and are part of the state’s teacher retirement fund.

DYS officials say mandated professional development has boosted the quality of teachers and there is a near-100 percent rate of licensure, compared to less than half that just 10 years ago. The annual turnover rate among teachers has dropped from 70 percent to between 8 percent and 12 percent, although layoffs have been occurring because of a reduction in the incarcerated youth population and budget cutbacks.

After DYS launched its education reforms, per-pupil funding increased steadily for six years, including a direct annual expenditure of \$3.3 million to increase teachers’ salaries. But last year the budget was cut to \$148 million, a reduction of more than 9.3 percent, and Gov. Deval Patrick is proposing another \$5 million reduction in the coming fiscal year, with the set-aside for teacher salaries reduced to \$2.5 million.

Academically, it’s hard to evaluate the DYS program. The agency touts a 91 percent passing rate on the 10th-grade English MCAS and 80 percent on the math, but only 54 regular education children took the test in 2009, and more than half of those barely passed it. The passing rate for the 74 special education students who took the exams was 70 percent in English and 50 percent in math, again with the bulk of those students scoring in the “needs improvement” category.

Agency officials say 163 teens got their high school diplomas or GEDs while in DYS last year but without knowing how many were eligible or failed, that number reveals little. A check on juveniles transitioning back to their communities in 2008 found 45 percent in high school or some transitional school program, 20 percent preparing for a general equivalency degree (GED) assessment, and nearly one-third not in school.

DYS tries to provide college-level instruction for those

few who qualify, either in class or online through pilot partnerships with schools such as Bunker Hill Community College. But those who are given the chance often have to be self-motivated, a trait not often found behind the walls.

Lael Chester, executive director of Citizens for Juvenile Justice, says a lot of progress has been made since 2001, when the system was in shambles. “They were inadequately resourced. They still are,” she says. “The question is, what can we do to make it better and what resources do we need to make that happen?”

NO PENCILS, NO BOOKS

At the desk next to Wally Jones in the special education classroom, 16-year-old Kendrick is talking smack to Dana Buckner, who is filling in for the normal special education teacher who has been called for jury duty. Kendrick, whose last name is being withheld because he’s a juvenile, talks nonstop. His tone borders on edgy and hurtful, and it would likely get him removed from class in many public schools.

When Buckner asks him to repeat a question, Kendrick makes light of a vision problem Buckner has. “I thought you were blind, not deaf,” says Kendrick.

Buckner, who normally teaches science and English courses, takes the jibe in stride. He says he loves his job and finds it rewarding, but, as the disrespectful comment illustrates, he and his colleagues face hurdles that teachers

Each day, teachers are required to pass through several levels of locked steel doors. And then the real challenges begin.

in public schools can’t even imagine. It starts with their arrival and having to pass through several levels of locked steel doors until they enter the unit, where the loud clang of the gate shutting and locking can be felt in your bones more than heard with your ears. And then the real challenges begin.

Students at DYS facilities are not easy to teach. They’ve either committed a crime or are awaiting trial for one. They often come from broken homes and have little formal schooling. Two-thirds of them are minorities. Forty-four percent have some type of special education need, far above the statewide average of 17 percent. Boys represent 84 percent of the DYS population, but girls tend to

be more vulnerable. One DYS official says nearly 98 percent of the girls have some sort of traumatic issue, like abuse.

“Our kids come to us pretty fragile and are pretty damaged,” says Tewksbury.

Unlike public schools, class makeup is determined not by grade level or age groupings, but rather by commitment status. “We’re teaching kids with 6th-grade reading levels and college-level reading levels all in one place,” says Tewksbury. “We run one-room classrooms across the state.”

Tewksbury’s view is not a wistful one recalling the quaint days of little red schoolhouses. Rather, it is an acknowledgement that standard approaches to classroom instruction are not easily adaptable in settings where security and treatment compete with academics.

While the average stay for a teen committed to DYS is 2 ½ years, the assessment and detainee programs average 18 days, with some staying overnight and others up to a year. Trying to integrate newcomers on a daily basis and teach to their respective levels isn’t easy. “Every day is like the first day of school,” says Sue Murphy, education director for the Metro DYS region, which covers Boston.

In regular public schools, the goal is to integrate students with special needs into regular classrooms. At DYS facilities, that happens as a matter of course. But security issues and lack of facilities mean services are restricted.

“It’s really, really a challenge,” says Marcia Mittnacht, the state’s special education director. “We have been unable to maintain the therapeutic services in those settings, like speech and language services. It’s not a natural fit to the environment.”

Textbooks are scarce because no hard-cover books are allowed for security reasons; the stiff bindings could conceivably be converted into a weapon. Most reading is done with dog-eared and torn paperback books or dated software on three personal computers and two laptops. There’s only one hard-wired internet line but, for security purposes, no computer is plugged into the line without a teacher or group worker monitoring it.

Teachers can’t assign homework because



The Goss Secure Treatment Facility is on the grounds of the former Taunton State Hospital.



A locked steel grate is one layer of security separating Goss II from the outside world.



DYS students get individual attention because of small class sizes, but books and other resources are scarce because of low funding.



In the basketball court outside the Goss building, Wally Jones is surrounded by a 20-foot-high chain-link fence topped by barbed wire and reinforced by a 15-foot-high brick wall.



Jones sits in the 8-by-12-foot cell he shares with two others. The windows are covered with a steel screen and the blinds are pulled so no one can see in—or out.

the students return to being inmates at the end of the six-hour school day and are prohibited from bringing pencils or pens that could be used as weapons into their locked cells.

“Academics sometimes have to come second,” says Patty Timmins, the special education teacher for the lock-up referred to as Goss II. “You have to realize they have been taken out of their [outside] educational studies for reasons that have to come first.”

‘IT’S NOT MY THING’

John is a 16-year-old from the Cape. He says he’s been in and out of DYS custody since he was 12 and has been in lockup the last two years. Like nearly all the other DYS charges, he doesn’t volunteer what he’s in Goss for, and

DYS officials prohibit a reporter from asking because he is a juvenile.

The last time he was in a public classroom? “Fourth grade,” he says matter-of-factly as he slurps an orange Jell-O at lunch. All utensils have been collected and counted to make sure they’re all back in place before classes resume.

John concedes he goes to class because he has to. “I don’t really like school,” he says. “It’s not my thing.”

He says he’ll continue to go to school after he is released but only because “it will probably be a requirement of DYS.” After that, he’s done with school.

John is wearing the uniform all DYS students wear: khaki pants or shorts, a polo shirt, white socks, and open-toed rubber flip-flops.

Classes are single-sex groups of five to 10 kids,

depending on the subject. At the door of each class sits a burly group worker—DYS discourages the term “guard”—whose job is to keep a watchful eye on the group and allow the teacher to do his or her job. One staffer calls

Teachers can't assign homework because students are prohibited from bringing pencils into their locked cells.

them “the first level of defense.” The workers are in the same uniform as the students, except with regular shoes and a walkie-talkie attached at the belt. Their eyes constantly scan the room.

The half-dozen or so teens in each class sit at old-fashioned chair-desks, scattered in no particular order or form around the room. There's no bookrack under the seats because no one carries anything from class to class.

Programs from the Discovery and Learning cable channels are projected from computers onto the white walls in science classes. Few students appear to be paying close attention.

In Buckner's science class, there are two cages with several animals in them, including two ferrets and a bearded dragon lizard. At the end of the class, if Buckner feels it's been productive, the students are allowed to take the ferrets out to hold and pet them. Some of the teens, who say they fear nothing on the streets, are hesitant about handling the wiry creatures. It's one of the few times of the day they look and act like children.

“It's an incentive at the end of the class,” says Buckner. “It's therapeutic for them to be able to handle small animals.”

The classrooms are barren of the types of laminated maps and printed graphics that dot regular classrooms, but handwritten signs and drawings in the inelegant form of a child learning to express themselves are taped on walls for inspiration. One reads:

*If who I am is what I have
And what I have is lost
Then who am I?*

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Students line up after their physical education period to go to their next class in silence and in single file.

SURROUNDED BY CINDERBLOCK

Lumping different types of kids together based on their security status is difficult to pull off academically. In one English class, the students are each reading a part in the play *A Raisin in the Sun*. One student reads haltingly and in a monotone as his index finger runs across the page,

**The windows are sealed,
and a steel screen covers
the air conditioner so
the unit can't be pushed
out to allow an escape.**

stumbling on words that are familiar to most high school students. Another student with clearly more advanced abilities runs through his lines quickly and with ease. The disparity of skill levels is stark. The discussion on the play's themes of racism, bigotry, and old social mores triggers little input from the students.

Kaban, of the Children's Law Center, has advocated for juveniles in the justice system since 1998. She says that no one is getting the most out of the education programs because of the lack of homework and because the classes attempt to be all things to all students. "They're trying to pitch to some middle ground, and no one's benefitting," she says.

Footsteps and conversation echo off the linoleum floors and concrete walls with no windows in the corridors for light or air. The windows are all sealed, and in those few rooms where there are air conditioners, steel screens cover the window and air conditioner from the inside so the unit cannot be pushed out to allow an escape.

There's not a lot of smiling or laughing in Goss II, despite the age of the students. Much of it has to do with the stark reality that their classrooms are generally just yards from their three-bunk cells and that steel cage doors surround them at all exits. Their entire universe consists of three cinderblock corridors six feet wide, one about 200 feet long running lengthwise, and their cellblock and class corridors, each about 40 feet in length. All activities—learning, eating,



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sleeping, physical education—take place under constant supervision.

It has been two months since most of these kids have been outside for any type of recreation. HEC and DYS recently received \$470,000 from the US Department of Education's Healthy Opportunities, Positive Effects (HOPE) initiative to increase physical fitness during school. Officials spread the money around eight of their facilities, including Goss, but the effort is hampered by the lack of room. At Goss, the two 45-minute phys-ed periods, with 10 students in each class, are spent in a room about eight feet wide and 15 feet long, cluttered with couches, chairs, bookcases, and tables.

The exercise on the day I was there consisted of the 10-member class standing in a circle in a cleared-out half of the room and batting a Nerf ball to one another. If someone missed a ball hit to him or hit one astray, that person had to do a predetermined number of push-ups. Attitude and image prevented most from doing the push-ups and no one pushed the issue. There was some genuine laughter in the circle but mainly because it was the first break in the day's monotony.

"We try to get them to create games," says Brooks Gaffam, the instructor just hired with the HOPE grant, in trying to explain his goals with the limited time and

space. "We want them to work as a team and develop rules."

Paul Charette, a clinical therapist at the Goss facility, says the education program is still evolving and few people outside the walls understand the enormity of the daily classroom challenges for either staffers or students. He

The question is whether DYS has prepared Alex for a more stable future or whether he'll end up back on the streets.

says having kids with behavioral and discipline issues in the same classroom "is adding fuel to the fire."

"If there's five kids in a room and one of the kids is having a bad day, it affects the other four kids," says Charette, who has been at Goss for three years. "It's like being in an alternative classroom constantly, except they're not going home."

Alex, who is approaching his 18th birthday, is the type of person DYS is trying to reach with its educational programs. He has spent 30 of the last 36 months in DYS under lock and key. He doesn't say what his offense was, other than that he was pulled in after a close friend was shot and killed in his Lawrence neighborhood. He's been in four fights with other DYS youth, which has extended his stay in custody to his 18th birthday in June.

Alex says he wants to go to college for computer science, maybe get into video game development. The big question is whether his time in DYS has prepared him for college and a more stable future or whether he'll end up back with his old friends on the streets. He mentions another good friend is serving life in prison after being convicted of murder in the death of a

deliveryman. Alex doesn't want to end up there.

"I don't want to go back to custody," he says as he proudly reads to a visitor the goals he developed with a counselor. "It's not DYS anymore if I get caught. I'm not 17. It's prison."

Asked what would happen if he does end up in prison, he shrugs his shoulders and says: "I'd survive." **CW**



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Putting teachers on notice

Rhode Island's new education commissioner, Deborah Gist, is shaking up the status quo, drawing national praise—and scorn—in the process. The former elementary school teacher says her single-minded focus is on improving schools, not making headlines.

W

When it comes to efforts to turn around failing schools, the nation's smallest state is making some of the biggest waves. In January, Rhode Island's new education commissioner, Deborah Gist, set in motion a review of local schools that led to the firing of the entire staff at Central Falls High School, a chronically low-performing school in the state's poorest community. The move made news across the country, not least because President Barack Obama and his education secretary, Arne Duncan, both waded into the controversy, endorsing the action as the sort of dramatic step we must be willing to take to ensure quality schools for all stu-

PHOTOGRAPHS BY FRANK CURRAN

dents. But the Central Falls dismissals are by no means the only big move made already under Gist's aggressive agenda for school reform.

In October, she instructed all 36 of Rhode Island's school districts to end the use of seniority as the driving factor in teacher hiring and placement decisions, expanding an order issued by her predecessor that applied only to the state's two lowest-performing districts, Central Falls and Providence. The Providence teachers' union is challenging the new policy in court.

Gist has ordered a complete overhaul of teacher evaluation systems, requiring that all Rhode Island teachers be reviewed annually—and that at least half of their evaluation be based on evidence of student achievement in their classrooms, a measure that unions have voiced strong reservations about. Gist, recruited from Washington, DC, where she served as superintendent of schools, is also dramatically raising the bar for entering teachers, boosting the passing score on Rhode Island's teacher exam from one of the lowest levels in the country to one of the highest.

The one-time elementary school teacher arrived in Rhode Island last summer vowing to bring urgency and energy to the job, and no one can accuse of her of not living up to her word, even if it's too early to judge the impact of her reforms on student achievement.

In the Central Falls case, Gist became one of the first education commissioners in the country to identify her state's lowest performing schools, something the federal education department has required for states seeking a share of \$4 billion in school improvement grants. Flagged districts must adopt one of four strategies to try to bring about significant improvement at the underperforming schools.

Central Falls administrators initially proposed an option that would have retained the faculty but made big changes in the high school's operation, including a longer day and a summer training program for teachers. When negotiations reached a stalemate over compensation issues, the district superintendent announced that without an agreement she would move to a second option: dismissing the school's entire staff, with no more than half eligible to be rehired under a complete school-makeover plan. Gist

quickly gave the OK to proceed with the firings at the high school, which has a 50 percent dropout rate and where fewer than one in 10 students are doing math at grade level.

"She has fundamentally shaken up the status quo," says Warren Simmons, executive director of the Annenberg Institute for School Reform at Brown University. "She's brought a fresh perspective, she's ambitious, and she means business on behalf of children."



Union leaders have a decidedly different take. Gist's approval of the firings amounted to "pointing fingers and placing the blame on teachers," Colleen Callahan, the Rhode Island Federation of Teachers' representative on the state education department's board of regents, told *The Providence Journal*. The president of the state's AFL-CIO chapter, George Nee, left no adjective behind. "This is immoral, illegal, unjust, irresponsible, disgraceful, and disrespectful," he said.

The common thread in Gist's agenda is a firm belief that having effective, high-quality teachers in every classroom is the single most important thing schools can do to drive student learning. It's "the greatest lever

that we have," says Gist, who has been pulling at it with a vengeance.

Gist has shown a willingness to move fast and without fear. "She's certainly not looking to pick a fight. But she's not afraid of one," says Sandi Jacobs, vice president of the National Council on Teacher Quality, a Washington, DC, policy and advocacy group.

The 43-year-old Oklahoma native doesn't seem temperamentally given to half measures. She has completed a New York Marathon and climbed Mount Kilimanjaro. Her unique claim to "going all in" fame, however, may be a feat that showcases the tenacity and warmth that her admirers, at least, say she carries in equal measure. Early last year while still in Washington, Gist set a world record for the most times kissed (on the cheek) in one minute by different people (112), part of a fundraiser for a local cancer charity.

Her freewheeling speed-smooching notwithstanding, in an interview in her Providence office, Gist responds to questions in a deliberate and measured manner. She evinces little of the saber-rattling that sometimes accompanies tough talk on the need for radical school reform. In lis-

tening to her, though, one gets the sense she is measured not because she harbors doubts about the direction that school reform must go—and the urgency of moving there quickly—but rather because she feels so sure about what needs to be done. What follows is an edited transcript of our conversation.

—MICHAEL JONAS

COMMONWEALTH: When you arrived, you vowed to do what it takes to make the Rhode Island schools the best in the country. But you've zeroed in from the start on teacher effectiveness. Why this focus?

GIST: Because in everything that I have experienced, both as a teacher and in my role as an administrator, and in everything I've read about the research about student achievement, the quality of the classroom teacher is the most important factor. It's the greatest lever that we have to be able to improve the quality of education of our students.

CW: Rhode Island has kind of become ground zero in the debate because of the Central Falls case. Your office got the ball rolling by very quickly moving to identify the low-

est performing districts in the state and then instructing the local education officials to identify which of the four strategies that the federal government presented to the states to pursue. You're convinced that this was the right move and a necessary one?

GIST: I think that for far too long we have just tinkered around the edges of our schools that have struggled. Central Falls High School is an example of a school like that. For over eight years, [it] has been on various lists of needing to improve. There are wonderful people in that school, there are excellent teachers in the school. They've had strong leadership. They've tried different models for reform. But we tend to do one thing, and then we wait and see if that works. And when it doesn't or maybe it's incremental, we say, OK, let's try some new professional development for the teachers. And then we try that and we see if that works, and a few more years go by, and then we say, obviously we need a new principal because that one's not doing the job. So we bring in new leadership, and we try that. We bring in new materials. We try that.

We just try one thing after another instead of recognizing that it's not just one thing, it's actually the combination of all of those things and the way they fit together.

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CONVERSATION

When you look at high-performing schools, it isn't just one thing that they're doing. It's a combination of many things, and at the center of all that are high expectations for students. And so part of the work is to change the culture in the school to one where everyone expects that students will achieve and raises the bar for performance.

CW: Has that been something that's been generally lacking? I don't mean just at Central Falls, but at urban districts throughout the country. Is that part of the challenge now—what we've expected as the norm?

GIST: I think that it is. Many teachers begin to believe that because their students come from difficult circumstances or have challenges in their lives, they can't achieve at higher levels. Just that shift in the thinking means that the expectations are lowered.

I met a young woman a couple of weeks ago. I had gone to meet with a group of youth leaders who were all either in the foster care system or had once been in the foster care system. And one of the young women, who's now a college student here in Rhode Island, talked about when she was a senior in high school living in a group home. She would use her situation to sort of get empathy from her teachers and get out of having to do things. And it worked, because who wouldn't have empathy for a young person who's living out on her own and had been through these difficult circumstances?

She says [that], looking back, she really wishes that her teacher had said, with as much love and support as possible, "Look, I want to make sure you have all the supports that you need, but here's what you need to do, and here's when you need to do it, and here's the quality that I expect." Because now she's in college, and she's struggling. That was a clear example of the way in which the love that teachers have for our students can sometimes cause us to lower our expectations. It's not enough to care. You have to care in a way that says, "I care about you so much that I'm going to make sure that you get everything that you need and that you are being held to your personal responsibility as a student to get your schoolwork done."

CW: Did you realize the amount of attention [the Central Falls case] was going to generate?

GIST: No. We expected the local concern. We did not expect the national reaction because this is not the first time that a step like this has been taken.

CW: It seems to me part of what gave the story national legs was not so much what you did here, but then the president and education secretary, Arne Duncan, both weighed in on it, which a lot of people regarded as very



unusual—to hear them commenting on something happening in one district in the country. They drew both praise, from people who agreed with it, and the ire of union leaders. What did you make of the fact that they felt it was an important issue that they wanted to be heard on?

GIST: Well, we obviously appreciate their support very much. And I'm really encouraged to know that both the president and the secretary of education aren't going to shy away from difficult decisions that have to be made, because this obviously is a very difficult situation, and we take it extremely seriously. These are people's lives, and this is why it's often not done.

I know that the folks in that school have dedicated their lives to education. I know how they feel about their students. And I know how important their jobs are to their own lives. At the same time, if we have fewer than 50 percent of our students graduating from high school, which is the case, then those students don't have an opportunity. Their likelihood of having a job and earning a living wage and ever being able to have the kind of quality of life that any of us would want for any member of our family or friends or neighbors is practically gone. So while I care about the adults, I've said since I came to Rhode Island last summer that our decisions have to be about students.

CW: Do you think the fact that the president and Duncan weighed in says something about what's going on nationally in terms of grappling with these issues in a way that we haven't done before?

GIST: I do, I do. These models [for turning around failing schools] have been in No Child Left Behind all along. But you're right. They hadn't really been used because it's very difficult to do.

CW: The teachers' union in Central Falls, and state unions and national ones, have all condemned this as an assault on teachers, or the demonizing of teachers working in one of the state's most challenging districts.

GIST: I understand why it seems that way. This is not just about the teachers. Everything at the school is going to need to be different. There's going to be new leadership. There's going to be explicit decisions made about every teacher in every classroom. There will be choices made about the curriculum, making sure that it's closely aligned to the standards. [We will be] making sure there are ways that assessments are used to monitor student progress and to intervene and provide students with extra support as needed—and that parent engagement is increased, that the school day is longer, that tutorials are offered. But it is not about blaming teachers. And my personal reaction when I hear [charges of “demonizing” teachers] is it makes me sad because I know how hard teachers work. I know why they've chosen their career and how much they care about what they do.

'It is not about blaming teachers.... [I know] how much they care about what they do.'

CW: Some people have wondered whether we're at a point, to use a medical metaphor, where our ability to diagnose failing schools has outpaced our ability to provide reliable, effective treatment. Because of the standards movement, we can identify the schools that are falling short in terms of objective measures of student achievement. But there's so much debate about what you then do with that information. Some people have said we're not really sure that wholesale firing and rehiring of staff is going to do the trick. There's this whole debate about the school turnaround effort. I've heard estimates that the success rate for certain models is as low as 10 percent. That's pretty low odds. Given the obvious amount of disruption to the schools and the lives of teachers, we ought to have a fairly high degree of confidence that what we're going to get is going to be an improvement for the kids [in Central Falls]. Do you feel confident about that?

GIST: I would restate what the [US] secretary [of education]

said about that, which is, we know what doesn't work: what we're doing now. What I know about intervention efforts from my own research is that there's no magic solution. Different models of intervention work in different schools. It's extremely contextual. Those decisions have to be made based on an analysis of circumstances of that school and that community. School district and state leaders have to take each situation and determine what they think the best steps are, and that's exactly what we've done in Rhode Island. We've identified the schools, we've laid out the options, and we've asked the superintendents to take a very thorough examination, engage their community, and make a decision about what's best for that school.

CW: The Central Falls case has put Rhode Island on the national radar, but you've really been pursuing in the short time you've been here a much broader set of reforms focused on this question of teacher effectiveness. In the fall you issued a directive based on new state regulations that districts are to no longer use seniority as the only factor in hiring and assignment decisions. That's a pretty wholesale change from what has been practice here and probably in most districts across the country. What's the rationale for that?

GIST: It goes back to the same thing that I said earlier, which is that our decisions about how teachers are placed in classrooms cannot be about the teachers. It has to be about the students. When you base something solely on seniority you very often, if not every time, lose the ability to make that decision for the students.

CW: One tension here is the idea of professionalism in teaching. You hear from teachers this feeling, in the face of bold, dramatic moves being made, that they're not being respected, they're not treated as professionals. Yet a lot of critics of the status quo, folks like yourself that are trying to drive big change, would say that what we have now doesn't really treat teachers as professionals. It doesn't really hold them accountable for outcomes.

GIST: People say that the steps that we've taken are both blaming teachers and not supporting of teachers. In Central Falls, I understand why that conclusion is drawn, even though I know that it's not the case. But even on other decisions—about having quality evaluations in place, not having decisions made based on seniority, raising your expectations for what it takes to enter into a teacher preparation program—some of these steps that we have

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taken this year have been perceived by some as being not supportive of teachers.

CW: What do you say to that?

GIST: I'm baffled. Because as a teacher, as someone who deeply respects teachers, I think the most important thing we can do for teachers is to treat them as the professionals they are, respect the quality of their work, and give them the ability to advance when they're performing well—and to make decisions about what happens in their school and to be selected for a position based on the quality of their work.

CW: You mentioned teacher evaluation. I know that's another area where you've moved quickly by ordering that teachers be evaluated every year and, moreover, that some measurement of student achievement or student learning needs to be the primary criterion in that evalua-

**Teachers should
be given 'the ability
to advance when
they're doing well.'**

tion, at least 50 percent of it. There's a lot of support for that. On the other hand, there's some real controversy about whether we can accurately measure teachers' impacts on student learning in a way that we should feel comfortable basing evaluations on. We know we need to make big changes but are the tools ready for use in doing that?

GIST: We have to be sure that we're doing it accurately. We have to be sure that we're doing it fairly. We have to be really confident in our data systems, confident in the way that we measure the growth. We can't implement anything like this in a sloppy manner. This is extremely serious, and we have to do it really well.

CW: And you think there are ways it can be done now in terms of these models of student growth?

GIST: I do. There's no doubt that that work is progressing, but we have the ability to do that now in ways that we didn't before.

CW: The president of the American Federation of Teachers, Randi Weingarten, popularized the phrase that reform must be done *with* teachers, not *to* teachers. I hear that repeated over and over in all sorts of places. It's one

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of those things that nobody could really be against, but I wonder if that makes it almost meaningless. Doesn't there have to be some kind of basic agreement on the premises of what we're talking about in order for it to be done with them, not to them? For example, are teacher evaluations going to be based in part on whether students are learning? Don't you have to agree on the terms? Otherwise it sort of rings hollow.

GIST: I agree that, ideally, what we're doing we're doing *with* teachers. The state is developing a model evaluation system, and we want to have teachers with us as we do that to inform that work. But there is "the what" and "the how." While I want to hear from people and make sure that I'm listening, and make sure that we have all the information, what we do is less something that we're going to decide together than how [we do it]. For example, if we're not going to have seniority in our state anymore, I'm not going to have a discussion about that. I've made that decision, that's just the way it is. But what we put into place and how that's done—every community, first of all, is going to have to negotiate that with their local teachers union. It's not discounting the collective bargaining agreements that are in place, and I would

want teachers to be at the table and have an opportunity to work with their local leaders on the process that they've put into place. But we're not going to discuss whether we're going to do it or not. That's already been decided.

You always have to listen and you always have to be open to something potentially having been the wrong decision and being mature and responsible enough to revisit things as necessary. But I do think that it's [important to not let] your willingness to be open and listen to prevent you from moving forward.

CW: I've talked to a few people who have said you're not looking for a fight, but you're not afraid of one either. Is that fair?

GIST: Yeah, I think it is. I've said a few times that nothing would make me happier than for us to do this together without any conflict and any kind of disagreements. I have no need to prove that we have the authority to do things or to show how brave we are, or anything like that. I think that's actually not helpful. But at the same time we do need to be brave and just take the steps that need to be taken, and keep the ball moving forward.

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CW: Is there an added urgency here? Rhode Island had the second highest unemployment in the country at one point. Unlike your neighbors in Massachusetts and Connecticut, it's not a state that has had high levels of educational attainment. It had much more of an industrial economy, the bottom of which has really fallen out. Does

'Our state needs this change to come about in order for us to bring our economy back.'

that factor into your thinking on the urgency of the job that you have and the agenda you have for the schools here?

GIST: It absolutely does, and I think that's actually one of the things that also contributes to why I think we're going to be successful—because we have to be. Our state needs this change to come about in order for us to bring our economy back. We often talk in our state about the knowledge economy. Well, in order to grow a knowledge economy we have to improve education, and right now

55 percent of our high school graduates are going on to college. Just to put that into perspective, in [Washington,] DC, it was over 60 percent. So we need to have more students graduating from high school, ready for success and college and careers, and we need more of them going on to higher education and graduating from an institution with either a technical degree or a college degree or what-not. And so, yes, it's really important.

CW: You don't seem like you tend to do things halfway in general, from the things I've read about you—running the New York Marathon, climbing Mt. Kilimanjaro, or even managing to turn kissing into a competitive sport.

GIST: I was wondering if you were going to pull that one out of your pocket.

CW: Does that say something about you, putting all those things together?


GIST: I think that what it says about me is that when I decide to do something, I'm going to do it with everything that I have, just really throw myself into it. That's why I'm here in Rhode Island. **CW**



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Tax cap courts tragedy

Proposition 2½ has been a godsend for taxpayers, but it may contain the seeds of its own destruction **BY JAY ASH**

SCHOLARS OFTEN DIFFER on whether the title character in Shakespeare's *Macbeth* was the play's hero or villain. The same could be said about Proposition 2½. Macbeth initially saved a kingdom that he ultimately puts into peril. Frankly, hasn't Prop. 2½ done the same? Like the Macbeth debate, the answer about the virtue of Prop. 2½ may lie in one's perspective.

Proposition 2½ was championed as the salvation for taxpayers who were so angry about high property taxes that their 1980 citizen revolt led to this state's most celebrated ballot question triumph. Today, Prop. 2½ is still working effectively to hold down property tax increases. It caps the annual growth of existing property tax revenues at 2.5 percent above the previous year, allows for new growth in property taxes as a result of new investments, and limits property tax collections to 2.5 percent of a community's overall valuation. Rules are in place for overrides and underoverrides of those limitations. Prop. 2½ is often the protagonist in any story on municipal finance. Again, though, depending on your perspective, Prop. 2½ may have a Macbeth-like incongruity.

The citizen initiative petition is typically undertaken to address a pressing issue that the public believes their elected officials have failed to adequately address. Ironically, the "fix" adopted by voters in 1980 regarding high property taxes has actually been successful in large part because of those very state officials in whom the public demonstrated a lack of confidence.

What has allowed Prop. 2½ to work is the dramatic growth of non-school local aid. Governors and legislators, fearing the suffering that could take place in municipalities set to lose so much locally generated revenue as a result of Prop. 2½, increased state aid to cities and towns during the

1980s by a whopping 425 percent. That's right, an *average* of 42.5 percent a year for 10 years in the two major categories of non-school local aid: lottery aid and additional assistance. Yes, there was some pain in communities along the way, but 42.5 percent a year went a long way toward easing the suffering and allowing the public to believe they could actually lower property taxes and still maintain the vital services they needed and expected.

Unfortunately, cities and towns—either heroes or villains in the municipal finance story, depending on one's perspective—have suffered a reversal



of fortune since the opening act of the 1980s. The 1990s saw lottery aid and additional assistance increase by just 7 percent for the *entire* decade. But that seems like a windfall of riches to those of us managing today; the decade that ended last year produced a *reduction* in those major accounts by 22 percent.

The revenue loss that cities and towns have seen in non-school local aid over more than two decades has had a dramatic impact on municipal services. In fact, those who revere Prop. 2½ for keeping property taxes relatively low are often among those who decry the cuts in public safety, education, and infrastructure maintenance. This is a paradox truly worthy of a Shakespearean tragedy.

THOSE WHO CONTINUE to defend and champion the virtue of Proposition 2½ can rightly point to millions and maybe billions of dollars in property tax revenues the law has saved taxpayers. Prop. 2½

can also be credited with forcing austerity onto cities and towns and prompting the consolidation of this, the privatization of that, and, in the latest wave, the regionalization of almost everything else. Franklin County is sharing inspectional services, communities on the North Shore are preparing to regionalize their 911 operations, and my own community of Chelsea is entering into a planning exercise with neighboring Revere and Winthrop to envision a North Suffolk Service District that could result in the sharing of public health, information technology, public works, and more.

Austerity may sound great to those who wish to limit the size of local government by limiting its locally generated revenues. For those communities not content with such a fate, Prop. 2½ overrides exist as a way of charting a new course.

Unfortunately, that potential plot twist may only postpone the inevitable in a city or town, if it is any help at all. Of the roughly 1,200 override questions placed before voters in the last decade, only five of those questions were in a city—actually two cities, Brockton and Northampton. Of those five questions, only one was adopted in Northampton. The lesson here is that a Prop. 2½ override is vir-

tually a non-starter in cities, where budget pressures are often the most acute but less affluent residents cannot see their way to digging deeper to save the very services needed to improve their quality of life. Thus, the Chelseas, Springfields, and Lawrences of Massachusetts go into some form of state control, while other cities teeter precariously. (The cities envy their more affluent sister towns—where overrides are, in fact, a reliable budget balancing

Overrides may only postpone the inevitable.

method. Concord, for example, passed 19 out of 21 override measures this past decade, raising an additional \$9 million in annual revenues.)

In a Shakespearean tragedy, the pain and suffering of the protagonist ends in his/her own demise. Will the pain and suffering caused by Prop. 2½ cause municipalities a similar end? It is becoming increasingly difficult to think otherwise.

Consider that since the adoption of Prop. 2½, inflation has outpaced the 2.5 percent property tax increase allowance for existing properties in 22 of 29 years, with



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the average annual inflation for the period at 3.9 percent. Yes, the state deserves a great deal of credit for significant increases in school aid; however, non-school local aid has plummeted to levels not seen since the mid-1980s. And while Prop. 2½ limits revenues, it fails to provide similar controls on expenditures, leaving municipalities vulnerable to skyrocketing health insurance costs (up 100 percent from 2000 through 2009 in Chelsea). While it's hard to imagine the revenue picture getting much better, it's getting increasingly difficult to squeeze out more savings after 30 years of belt tightening.

Fortunately, Shakespeare has not written this saga. To ensure, therefore, that the municipal finance story has a satisfactory continuation—which, in this case, would be the continued vitality of both Prop. 2½ and the municipalities who remain under its control—public policymakers need to re-write the next act.

Meaningful health insurance and pension reforms need to be adopted so that employees and retirees are treated fairly and taxpayers are not overburdened with the cost. Regionalism teams should be established to nurture and expedite collaborations among potential municipal partners. A new commitment to state aid needs to be adopted. Triggers should be established for those periods when inflation exceeds 2.5 percent, in order to allow for property tax growth to reflect what is happening in the economy.

Perhaps, after 30 years, a single Prop. 2½ recalibration needs to also take place. That recalibration would mean establishing a new floor upon which the annual 2.5 percent cap in the growth of revenues would be based. Such an action would address a major shortcoming of Prop. 2½, that being that property tax increases have not kept pace with property value increases.

For example, Lowell, after working to successfully rejuvenate its community, saw property values soar 157 percent in the last decade, which was about 25 percent higher than the statewide average. Yet the city saw its property tax revenues increase by only 54 percent, about 14 percent lower than the statewide average. By recalibrating the ratio of property taxes to property value as originally established by Prop. 2½, communities that helped create so much additional value for property owners would be rewarded with a more commensurate tax benefit.

Macbeth eventually realizes his misguided decisions have sealed his ultimate fate. His death, though, need not be the precursor for Prop. 2½ if the kingdom under its control can help modify its course so that further good may come of it. **CW**

Jay Ash is the city manager in Chelsea. He is also a member of the MassINC board.

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Time for a renovation

We need to update our approach to K-12 education to meet the challenges of the new century **BY NICHOLAS C. DONOHUE**

OUR REGION AND nation are coping with how to meet the economic and civic demands of the 21st century.

The economic downturn has placed heightened attention on these demands, but the writing has been on the wall for some time. Both our economy and our way of life are evolving at an unprecedented rate.

At the Nellie Mae Education Foundation, we've been considering this evolution.

A few years ago, our board of directors and our staff began a rigorous process to evaluate our work and the impact we were making. We commissioned research revealing that New England, the region we serve as an education funder, was in the midst of a shift toward a more knowledge-based economy. The days of a high school diploma as the key to middle-class America were indeed behind us. Now, the research tells us, if New Englanders want to achieve success, they need a postsecondary degree or certificate indicating a certain level of skills and knowledge. It has become clear that, while basic skills remain of utmost importance, today's students also need additional skills if they want to succeed economically and participate in civic life.

At the same time, the face of our region has changed. The good news is that we've enjoyed slight growth in our population, thanks largely to increases in immigrant populations and young people of color. However, these demographic groups have not been traditionally served well by our educational and economic systems. We realize that in order to improve New England's prospects for the future, we need to update our education system so that everyone can be prepared for the challenges of the 21st century.

We pondered how our organization, a supporter of education programs, could best contribute to the type of change we need. The prevailing K-12 approach has not changed in over 100 years. A relatively narrow set of skills is still being measured by convenient, large-scale testing. It has become clear that the education system is in need

of a major upgrade. As with an old house that has endured numerous piecemeal updates, the time has come for a major renovation. While we were confident in the validity of our organization's previous contributions, both our continued desire for a more equitable society and the reality of the current state of the world told us that more needs to be done. Our work, it is now apparent, must also evolve.

After a thorough process of research and analysis, we decided we could accomplish the largest improvement in education by focusing on the promotion and integration of year-round, student-centered approaches to learning at the



middle- and high-school levels. Instead of a one-size-fits-all approach to education, we want to support models of education that take into account the fact that different students learn in different ways, often at different times

and different rates. Today's students need to know not only basic math and English, but also how to collaborate, solve problems, and utilize technology. We feel that student-centered approaches best attend to both the basic and the additional skills necessary for success in today's world.

These approaches draw on the science of how people learn and are characterized by: innovative uses of time; the inclusion of a wider variety of adults to complement teachers in all aspects of learning; the measurement of skills and mastery of content using a combination of demonstration and traditional testing; an acknowledgement that learning takes place both in and out of the classroom; and a persistent focus on the needs and interests of learners. In this type of educational experience, learning becomes the constant and the where, when, and how it happens—as well as who the adults are that facilitate it—become the variables.

THIS EXPANDED VIEW of learning is long overdue. Young people already learn at various times in various settings. For example, some young people are lucky enough to have the resources to benefit from rich learning experiences over the summer months. There are also after-school programs which provide young people access to vital experiential learning, often inspiring a desire to master some new skill. And then there is the effect of increased technology in the information age. The Internet has become not only a faucet of learning and information; it is often an opened hydrant, exploding with knowledge for all who will come and drink, whether via desktop computer or via palm-held phone. By focusing on high-quality, student-centered approaches, we're acknowledging all the ways young people acquire skills and digest information, and we're incorporating them into educational opportunities that benefit all students.

The fundamental ideas behind these approaches can already be seen in programs across the country. In New York City, the School of One program combines classroom instruction with online tutors, allowing middle school students to proceed at their own pace over the summer months. Progress is assessed daily, and seat time

plays no part in that measurement.

In New Hampshire's Extended Learning Opportunities (ELO) program, high school students receive credit for learning that takes place outside the classroom. For example, ELO students may receive credit for work performed at a newspaper as long as they can demonstrate to a qualified teacher that what they have learned ties back

An expanded view of learning is long overdue.

to pre-determined requirements.

The Nellie Mae Education Foundation itself recently awarded grants to 12 schools and educational organizations across the region for previous efforts to put students at the center of learning. The fact that there is sufficient momentum for these approaches is encouraging.

That's because our goal at the Foundation is to help student-centered approaches move beyond the level of "one good model" applied only in some areas or only to some students as an alternative to "regular" schooling. We hope to elevate these approaches until they become a core facet of schooling. We believe that this will help create a

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more equitable system that will help all of us meet the economic, social, and educational challenges we face together as a society.

In order to achieve that goal, we'll be implementing a strategic approach that aims to change three dimensions of the system simultaneously. We will work with practitioners to develop and integrate effective student-centered approaches to learning. We will also dedicate ourselves to policy efforts that allow student-centered approaches to flourish. And, because systems naturally resist change, we will concentrate on increasing public demand for high quality educational experiences for all learners.

This three-pronged strategic approach will be applied through all aspects of our work, especially our new primary grant-making initiatives: **District Level Systems Change**, which includes not only the promotion and integration of student-centered approaches, but also policy and advocacy work at the school district level; **State Level Systems Change**, which focuses on statewide education policies that affect learning at the district level; **Research and Development**, which serves to inform not only our work, but that of practitioners in the fields of education and philanthropy; and **Public Understanding**,

which aims to increase both awareness of student-centered learning experiences and the will to implement them. These initiatives are designed to complement each other and will evolve as specific funding opportunities are designed and implemented across the region.

We know that the type of change we're talking about will take time. The status quo is entrenched, and any movement will need to be earned with special attention to maintaining high standards as we seek more flexible, innovative approaches. Innovation for innovation's sake is not a responsible proposition. That's why we're going to work tirelessly to engage and support a diverse group of stakeholders that includes students, parents, educators, elected officials and the business community. It's also why we'll be reaching out to our philanthropic colleagues across the region and beyond. No matter how daunting the task ahead may seem, we believe that together we can move toward a system that is properly aligned with the needs of today's learners and the realities of our society. Together, we can be catalysts for the change we need. **CW**

Nicholas C. Donahue is president and chief executive of the Nellie Mae Education Foundation, which is a sponsor of MassINC.



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A setback for diversity

Studies suggest that charter schools contribute to racial and socioeconomic segregation **BY ERICA FRANKENBERG AND GENEVIEVE SIEGEL-HAWLEY**

PRODDED BY FINANCIAL incentives offered by the Obama administration, Massachusetts and most other states are loosening restrictions on establishing charter schools. These schools, publicly funded and free from traditional oversight, are viewed by some as laboratories where educators can experiment with new ways of teaching students. Yet the track record of charters so far is mixed. Some elicit stronger student performance than others, and most are difficult to evaluate due to a lack of information on graduation and attrition rates. Glaring gaps in the data also make it very hard to understand whether and how charter schools are serving low-income students and English language learners.

In one area, though, research on charters is close to reaching consensus. A number of studies show that charter schools contribute to the already rampant racial and socioeconomic segregation in our nation's public schools. In fact, our recent Civil Rights Project report finds that charter schools are more segregated than traditional public schools in virtually every state and metropolitan area enrolling a significant number of charter students.

Decades of research concludes that isolating students by race and/or poverty is profoundly associated with less opportunity, evidence conclusive enough to cause the Supreme Court to declare that public schools continue to have compelling interests in reducing racial isolation and promoting diversity. Students in segregated minority schools are more likely to face high rates of teacher turnover and less qualified teachers. Access to important learning resources and social networks linked to college and jobs is typically circumscribed in racially isolated schools. Segregated educational settings are also far more likely to be associated with high dropout rates,

which limit future educational and occupational options.

Importantly, on the other side of the coin, students of all races—including whites—*benefit* from attending diverse schools. These benefits include reduced prejudice and stereotypes, improved



cross-racial understanding, and increased comfort in working and living across racial lines. All of these factors improve students' life opportunities after high school, and they are important traits for citizenship in a diverse country and for employment in our globally connected workplaces. Some might argue that diversity is less important than a high-quality school, but we believe one shouldn't be sacrificed for the other.

Charter school enrollment continues to grow nationwide, and Massachusetts is representative of this trend, with a near doubling of its charter students from 2000-01 to 2007-08. In the latter year, the more than 25,000 students enrolled in 61 Massachusetts charter schools accounted for 2.7 percent of all public school students in the state, slightly higher than the corresponding percentage nationally.

Just over half of Massachusetts's charter schools are located in cities, and approximately 40 percent are in suburban areas. Charter schools in the Boston metropolitan area account for more than half of the state's charter students. At the same time, however, Boston metro area charter schools actually enroll a lower percentage of all public

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ARGUMENT

school students than the statewide figure, calling into question the notion that charters are disproportionately serving families leaving the Boston Public Schools. Nationally, the geographic skew of charter schools toward urban areas likely accounts for some, but not all, of the differences in the racial and poverty composition of the students enrolled in charters and regular public schools.

In most states, black students enroll in charter schools at higher rates than in other public schools, while the pattern is more mixed for Latino students. While segregation for black (and Latino) students has been increasing among traditional public schools for nearly two decades, black charter school students enroll in 90-100 percent minority schools at twice the rate of traditional public school black students. Further, more than two-fifths of black charter school students nationally are in 99-100 percent minority charter schools. Although less extreme than for black students, charter students of every race/ethnicity are enrolled at higher rates in segregated minority schools.

White students overall are under-enrolled in charter schools, but in some of the most diverse regions of the country—the West and, to a lesser extent, the South—whites *over-enroll* in charter schools.

In Massachusetts, both black and Latino students comprise a considerably higher share of the charter school enrollment (combined, the two groups account for half of all charter students) than they do among the traditional public schools (where together blacks and Latinos comprise just over one in four students).

More than half of Massachusetts's black charter school students are in 90-100 percent minority schools. In metropolitan Boston, almost one in three of all charter students goes to schools with high minority student concentration. Further, the typical black or Latino student in Massachusetts's charter schools attends a school where only one in five students are white, on average. By contrast, there are approximately twice as many white students in schools of the typical black or Latino student who is enrolled in a traditional public school.

These numbers illuminate a basic conclusion: Charter school students in the country and in Massachusetts, particularly black students, experience more severe minority segregation than their peers in other public schools.

Given the benefits of racially diverse schools for students of all races, it is also important to consider concentration of white students. Nationally, and in Massachusetts, white student segregation is lower in charter schools than in traditional public schools, where whites are exposed to the lowest shares of other-race students. Yet almost one in four white charter students in Massachusetts attend a school where at least 90 percent of the students are also white. White isolation in charter schools was almost as high as among traditional public school students.

Nationally, it is difficult to ascertain the extent to which charter schools are enrolling students from low-income and non-native English speaking backgrounds, due to a large percentage of charter schools reporting missing values for these groups of students. But among charter schools that we do have data for, higher percentages of students attended schools of concentrated poverty.

Unlike many other states, the vast majority of Massachusetts charter schools do report low-income data, and our analysis finds that they enroll low-income students to a higher extent than do regular public schools. There is some uncertainty regarding the number of low-income students in charter schools, but our estimates suggest that 44 percent to 45 percent of charter students in Massachusetts are low-income, while just 29 percent of traditional public school students are similarly economically disadvantaged. The one charter school in Massachusetts not reporting low-income data (e.g., providing no evidence that it offers subsidized lunch) is a school where more than 90 percent of students are white.

It is clear that charter schools are here to stay, and as such, focusing on how to combine school choice with diversity should be a priority as charter schools grow in Massachusetts and elsewhere. Policy should provide

incentives for charter schools to recruit, admit, and retain diverse groups of students—as has traditionally been the case with federal magnet school policy.

In addition to providing diversity incentives, other features of Massachusetts's charter school legislation should be amended to guarantee that all students have access to these publicly funded schools. This means providing transportation to all students (including students who live in a district other than where the charter school is located), restricting admissions prerequisites, offering programs like subsidized lunch and instruction for English language learners and students with disabilities, and conducting outreach to all groups in the community.

Without these guidelines, states like Massachusetts may end up funding an expansion of schools that only exacerbate growing educational segregation. Massachusetts was the birthplace of public education in the United States; it can again lead the way in ensuring access to high-quality, integrated schools for all children. **CW**

Erica Frankenberg and Genevieve Siegel-Hawley are researchers at the Civil Rights Project at UCLA and co-authors of Choice Without Equity: Charter School Segregation and the Need for Civil Rights Standards, available at www.civilrightsproject.ucla.edu.



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Charters are closing the gap

Student academics, not racial demographics, are what counts

BY GREG SHELL AND KEVIN ANDREWS

FOR DECADES, EDUCATION policymakers have attempted to bridge the yawning achievement gap between affluent white students and poor black and Latino students. Each attempt has failed, leaving new generations of poor, urban minorities with an inadequate educational foundation to succeed in an increasingly competitive market. Without a high quality education, the cycle of poverty for most of these children continues from generation to generation with little opportunity to change course.

The most radical of these experiments—forced integration through busing—failed so miserably that urban public schools were transformed from districts that had “separate and unequal” white and minority schools to wholly segregated districts whose students were overwhelmingly black and poor. The “white flight” that ensued left urban educators with a population of minority children separated from their white, suburban counterparts by race, income, and municipal boundaries.

The education systems in many poor, urban areas that resulted from this effort represent the truest and biggest failure of the civil rights movement. Instead of creating integrated urban oases of educational achievement in which children have the same chance at a good education regardless of race or income, our urban school systems have become increasingly minority, increasingly poor, and increasingly underperforming.

The recent report on charter schools by the Civil Rights Project at UCLA seems to ignore the lessons of these previous efforts to “socially engineer” the demographic makeup of our public schools. What’s more, its authors seem to cling to the race make-up of schools as *the* measure of success in providing quality education for all at a time when education reform efforts are zeroing in on student success as the ultimate objective.

The report criticizes charter public schools as promoting “apartheid,” a disturbing invocation of a highly charged term that is myopic at best and disingenuous at worst. The real apartheid in American education today is the rich set of choices

available to those in affluent suburbs, whether high-quality district public schools or high-cost private schools, while the vast majority of poor minority children are trapped in failing urban school districts with no way out. Charter schools represent the boldest attempt of the past two decades to end this system of education apartheid by beginning to provide low-income minority families some of the educational opportunities

enjoyed by those in predominantly white, more affluent suburbs.

Providing children with the same academic opportunities as affluent suburban kids is the objective of integration in the first place. On this measurement, charter public schools excel like no other. To ignore the success of Massachusetts charters diminishes the value of the education we are providing disadvantaged children in our cities.



We agree that cultural diversity is a critically important component of the academic and social development of a child. But it is one factor in a hierarchy of needs that need to be met. Academic achievement must be the gold standard by which we judge schools today, for it represents the only path out of poverty through which the civil rights movement’s goals of equality for all can be realized. The UCLA study’s focus on charter schools’ demographic inputs—the race and income breakdown of their students—rather than the critical outcome of academic achievement among these students ignores the fact that charters have been effectively closing the achievement gap and equalizing educational opportunity between disadvantaged students and their suburban counterparts. The authors also fail to recognize that for most charter students, the alternative to a “segregated” charter school may be a slightly less segregated dis-



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trict school that is weaker academically.

First, let's dispel the myth that charters are any more "segregated" than neighboring district schools. Most urban charters reflect the demographic mix of the communities they serve. In Boston charters, our students are 78 percent black and Latino versus 76 percent of district students, and 63.5 percent low-income versus 71.5 percent of district students. That means there are more middle-class students in our classrooms (i.e., more economic diversity). Charters have been successful at keeping middle-class families in the cities; something the UCLA report doesn't even acknowledge. If district schools are to attract more middle-class families from all races, they need to improve academically.

We agree with the recommendation that our schools need to do a better job of reaching families who do not speak English. Many are unaware they have public education choices either because of a lack of information or language barriers. That has been the focus of an intense recruitment drive this winter. During this year's lottery cycle, our schools saw a dramatic increase in the number of non-English-speaking families who entered our enrollment lotteries. These efforts will continue.

The study quotes previous research showing segregated schools spell "less opportunity" for their students. Segregated schools hire less qualified teachers, experience higher teacher turnover and higher dropout rates, and lack access to important learning resources and social networks linked to college and jobs, according to these studies. By insinuation, the authors claim that these effects can be found in charter public schools. But, the opposite is true in Massachusetts charters.

Generally, all Massachusetts charter public schools are based on a college preparatory program. Right from the elementary grades, our teachers begin talking to students about college, instilling in them the confidence that they can achieve at a level that will lead to college acceptance. Visits to college campuses start in middle school. Flags adorn the halls of some of our high schools from colleges attended by graduates. Our teachers know the stakes and understand the mission. Our principals have the flexibility to hire highly qualified teachers and dismiss those who are not performing. Higher teacher turnover rates at charters are a result of this philosophy, not an indicator of unqualified teachers.

The high standards we set for our administrators, teachers, students, and parents have created a culture of exemplary performance. In Massachusetts, our urban charters are not only outperforming schools in their host districts, but also outperforming schools in affluent suburban districts. Many of our urban charter high schools are sending nearly 100 percent of their graduates to college; many of these are the first in their families to attend.

On the 2009 eighth- and 10th-grade English and math MCAS exams, the top six non-exam middle schools in Boston and six of the top seven non-exam high schools were charters. Several urban charter public schools ranked number one in the entire state on math and English test at various grade levels. These schools are achieving at higher levels of proficiency than affluent suburban schools in Newton, Brookline, Dover, and Weston. We

Access to good schools is a civil rights issue.

take pride in the fact that these schools all have a high percentage of disadvantaged students—whether they are minority, low-income, special needs, or coming from families whose native language is not English.

In January 2009, the Boston Foundation released a study of Boston schools comparing the academic performance of children who entered the annual charter lotteries and “won,” versus those who entered the lotteries, “lost,” and remained in district schools. Just one year in a Boston charter erased half the achievement gap between low-income and affluent students. After four years, the students

who “lotteried into” charters raised their test scores from just above Boston’s district average to just below Brookline’s—one of the top scoring districts in the state and one that is predominantly white and affluent. The test scores of those students in the control group who remained in Boston district schools were stagnant.

Results like these help reinforce the most urgent civil rights question: How do we ensure that all children have access to excellent schools? Rather than try to attempt to control for variables that are inherently difficult to control (e.g., the mobility of people based on race/culture), why not control the one variable (school quality) that matters most?

Declaring a civil rights victory does not come from a demographic juggling act that ensures just the right mix of students. If closing the achievement gap is the civil rights issue of our time, then charter public schools are in the forefront of today’s civil rights movement. **CW**

Greg Shell is chairman of the board of trustees of Roxbury Preparatory Charter School. Kevin Andrews is headmaster of the Neighborhood House Charter School in Dorchester and president of the Massachusetts Public Charter School Association.

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A dynasty's demise

The Kennedy name is no longer enough to launch a political career

I HAVE DECIDED not to run for Congress. So you may stop reading and instead check msnbc.com to see what the talking heads are saying about me—unless you're wondering why I imagine my decision to be worthy of a news story.

Of course it's not, since my name is Lobron. But if my name were Kennedy—specifically, Joseph P. Kennedy III—and I had decided not to run for the congressional seat now held by William Delahunt, it would earn me front-page real estate in the *Boston Globe*.

A Kennedy who doesn't run gets more attention than an ordinary citizen who does for lots of reasons: money, fundraising clout, name recognition, dazzling familiar teeth, etc. We've seen the possibility of Candidate Kennedy alter dozens of recent campaigns, from former US Rep. Joseph Kennedy II's aborted gubernatorial bid in 1998 to rumors surrounding Sen. Edward Kennedy's widow, Vicki, in the 2009 Senate special election primary. Now, into the third generation, the pattern continues. A Kennedy is rumored to be interested, the media blow their trumpets, and other hopeful candidates make noises of deference worthy of the Tudor court.

But lately, it's always turned out that the Kennedy in question isn't running, which makes me wonder if the Kennedys are more aware than the rest of us about a shift in the zeitgeist.

JEFFREY THOMAS, a political analyst and former legislative aide to Edward M. Kennedy, thinks that voters' fondness for the late senator isn't translating into a desire for another generation. "I think there was a sense that the senator would go out like Strom Thurmond, at [age] 92," says Thomas, who now advises Democratic donors. Among long-time liberals, Thomas sees more nostalgia for Ted than reflexive enthusiasm for grandchildren and grand-nephews who look the way Ted and his brothers did in 1960.

His analysis is born out by a recent Rasmussen poll, in which 58 percent of respondents felt the Kennedy dynasty was "over in Massachusetts." The remaining 42 percent were split between those who felt the dynasty would continue and those who weren't sure.

Massachusetts' demographics have changed a lot in 50 years—we're much less Irish and much less white—but if Scott Brown's victory is an indication, there's still plenty of enthusiasm for good-looking white politicians. But at this fleeting moment, the preference seems to be for the "regular guy" variety. The Kennedys, to their credit, have never pretended to be anything but exceptionally privileged.

And privilege poses a political challenge in a recession. I conducted an informal poll of young staffers and interns in my office (average age: 23) about their attitude towards the Kennedys and their appetite for a new generation. This is a group of smart, accomplished college graduates encountering one of the bleakest employment climates in recent memories. Several are juggling wait-staff and retail jobs with unpaid internships in the hopes of landing full-time employment, and they showed a strong distaste for the idea that anyone can inherit a political seat—or any other job. "Nobody has a right to that job," said one. "I'd look at him like anyone else," said another.

But here's the interesting thing: This group got interested in Joe III once they learned something about him beyond his last name. They admired his role as an assistant district attorney for the Cape Cod and the Islands, and his time with the Peace Corps in Latin America. They liked that he hasn't been in the news for the embarrassing reasons—affairs, ugly divorces, illegal fireworks—that so crippled many of the male members of Joe II's generation. What they don't care much about is his role in the Kennedy family, especially since none were sure how he relates to the president or the late senator. As one said, "We're getting pretty far down the food chain, at this point."

But public service and international volunteering hold a strong appeal among a generation now volunteering in droves—at home and abroad—as both a means to a real job and a way of engaging with the world. If Joe III does some day launch a political career, 20-somethings may be interested in him. They'll just be interested in spite of his last name rather than because of it.

Perhaps the Kennedy dynasty is over, or perhaps it is simply regrouping. Indeed, its best young hope may be quietly doing exactly what his generation admires: working hard to build credentials on his own terms. **CW**

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