

Graduation Rates Continue Their Downward Spiral

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In recent months, Texans have begun to learn the truth about the state's high school graduation rates. Contrary to optimistic numbers reported by the Texas Education Agency (TEA), outside researchers have discovered the following facts:

- Every hour of every school day, 93 students drop out of Texas public schools.
- Approximately one-third of Texas high school students fail to graduate within four years.
- In urban areas, graduation rates often dip below 50%—and even lower for minority students.

One would hope the dropout crisis couldn't get any worse. But in fact, the most recent graduation data reveals that graduation rates in Texas have continued to plummet.

Four-year Graduation Rates by Graduating Class

	Class of 2004	Class of 2005	Class of 2006
Houston	42.2%	43.7%	43.4%
Dallas	48.6%	45.3%	41.4%
Austin	55.8%	58.1%	56.4%
Fort Worth	52.6%	48.4%	48.3%
San Antonio	52.2%	52.0%	48.7%
State	67.7%	65.8%	64.6%

URBAN GRADUATION RATES DROPPED ACROSS THE BOARD IN 2006

The most widely accepted measure of the graduation rate compares the number of ninth-grade students one year to the number of

graduates four years later. This yields the four-year graduation rate. The opposite of this rate is the attrition rate, which is often considered a dropout rate. While some students may move out of a given district over four years, others move in, so this should balance out. The table at left shows graduation rates for some of the largest urban districts in the state.

It is important to note the following:

- From 2005 to 2006, graduation rates decreased in every one of the five major urban areas and the state as a whole.
- In just two years, Dallas ISD dropped from a graduation rate of 49% to just 41%.
- In Dallas ISD, the class of 2006 lost nearly 60% of its students since the ninth grade. In other words, almost 9000 students were missing on graduation day.
- In 2004, 53% of Fort Worth ISD seniors graduated on-time. That number dropped to 48% in 2006.
- San Antonio ISD's graduation rate fell from 52% to 49% in just one year.
- While Houston ISD's graduation rate has remained fairly steady over the past three years, it is still among the lowest of all Texas cities at 43%.
- Out of the major urban districts, Austin ISD is the only one whose graduation rate exceeds 50%.
- At the current rate, the state's graduation rate will fall below 50% by 2018.

GRADUATION RATES FOR MINORITIES ARE EVEN MORE TROUBLING

- In just one year, the graduation rate for Hispanic students dropped from 43% to 37% in Dallas ISD.
- The graduation rate for Hispanic students in San Antonio ISD dropped from 55% to 49% in one year.
- From 2005 to 2006, the graduation rate for black students in Austin ISD fell from 51% to 46%.

POLICY RECOMMENDATION

School choice is a proven way to decrease dropout rates in public schools. Research by Dr. Jay Greene of the Manhattan Institute shows that as competition increases, graduation rates increase as well.¹ In Milwaukee, the public

school dropout rate has decreased by half since the city's school choice program began. Cutting the dropout rate in half in Texas could save more than 65,000 students each year. Policymakers owe it to Texas students to give them an opportunity to succeed through school choice. ★

NOTE: All calculations are by author, based on TEA AEIS data. For more information, see "Defining and Solving the Texas Dropout Crisis," <http://www.texaspolicy.com/pdf/2007-02-PB07-dropout-js.pdf>.

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¹ Jay P. Greene and Marcus A. Winters, "The Effect of Residential School Choice on Public High School Graduation Rates," Manhattan Institute Education Working Paper 9 (Apr. 2005).