

Sometimes Supporting Our Troops Requires More than Parades and Kind Words

The President's Proposed Cuts in Assistance to Schools Serving Military Installations May Make Soldiers Choose between Serving their Country and A Decent Education for their Children



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Providing Quality Education to the Children of our Service Men and Women

Americans are proud of the men and women who serve in the nation's armed services. While technology and advanced weapons systems have contributed to America's current military dominance, there is little question that the character and training of the people who serve is at the heart of the dramatic transformation of our Armed Forces since the end of the Vietnam War.

That is why politicians in both parties have looked for visible ways to associate themselves with "the troops." They have urged the voters to support our troops and have hoped their urging would encourage the voters also to support the troops. But in some instances, the politicians that were most vocal about the need to support our service men and women have been AWOL when it came to supporting the resources that service members and their families need for a decent quality of life here at home.

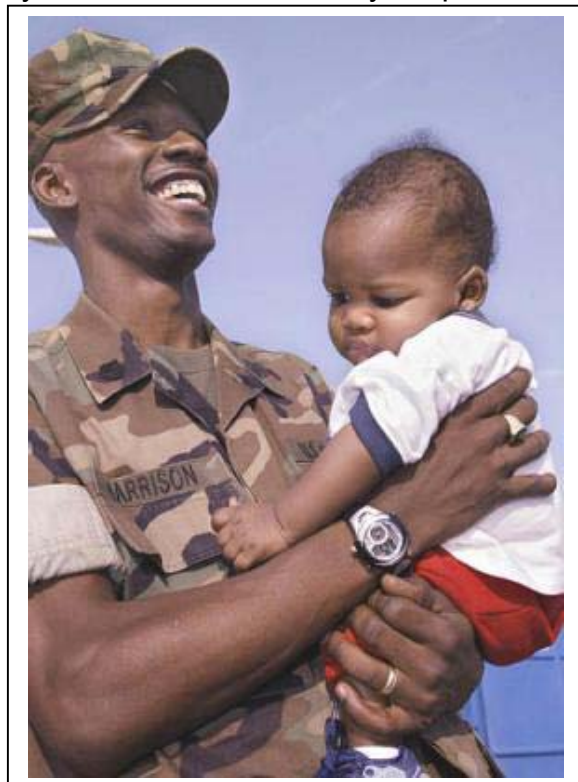
Over the past decade we have made significant improvements in pay, housing and medical care for our armed services. Nonetheless, living conditions remain significantly below acceptable standards at many installations and duty stations.

But no issue generates greater concern for many military families than the quality of schools on or near our nation's military installations. Just as the quality of schools has become a growing factor in

assessing quality of life for families in civilian communities, members of the armed forces are equally concerned that their children receive the kind of education that will allow them to compete in an ever more complicated world.

But without help from the federal government, the ability of military families to ensure that their children receive that type of education is extremely limited. They frequently do not have a choice regarding where they will be assigned or even where they will live during their assignment. Knowing that their children will have the opportunity to attend good schools, however, is a central concern that must be weighed when deciding whether or not to continue their military careers.

A survey completed in March of this year indicated that nearly 44 percent



of active duty military personnel had children. But a much larger percentage of troops will have children at some point during their military careers. Although only 7 percent of newly enlisted troops are parents, more than 83 percent of enlisted personnel who reach the grade of E-7 have at least one child. In total we have 615,000 parents on active duty and they have 1.2 million children. About 820,000 of these children are of school age.

On some U.S. military installations, particularly those overseas, the Department of Defense operates its own school system. But around 85 percent of military children are in non-DOD schools.

Impact Aid

The federal Impact Aid program is the primary means by which the federal government helps to ensure

that the children of military personnel receive a quality education. Through this program local school districts receive grants to replace the operating revenue they lose due to the presence of military and other federal facilities in their communities. These funds provide flexible operating resources to help support the teachers, books, computers and educational services that schools provide for military children.

Federal funds for Impact Aid in the current fiscal year total \$1.2 billion. About half of these funds, however, are targeted to schools to support the education of non-military children such as children who live on Indian reservations and children who reside in federally sponsored public housing.

President Bush's fiscal year 2004 budget plan proposes to cut Impact Aid funding by a total of \$206 million



below current year levels. In addition, the Administration is proposing that the entire reduction be taken from the portion of the Impact Aid program designed to support the education of military children. This would be accomplished by eliminating basic support payments for military and civilian children whose families do not actually live on military bases, but in surrounding communities.

The effect of this proposal on the quality of schools attended by many of our military children will be dramatic. Total funds for the military portion of the program would drop from about \$635 million in the current year to about \$435 million next year—a cut of more than 30 percent.

But that understates the true impact because such a large number of military children are concentrated in

a relatively small number of school districts. Of the more than 15,000 school districts in the country, only about 625, or 4 percent, receive Impact Aid assistance for military children. But the overwhelming portion of that money is concentrated in only a few dozen districts.

Almost half of the entire \$206 million cut in Impact Aid will be taken out of the budgets of only ten school districts. Two-thirds of the cut will come from the budgets of only twenty school districts.

Troops Deployed to Iraq Take the Brunt of the Bush Impact Aid Cut

Perhaps the most disturbing fact about this cut is that it hits the schools of children whose parents are currently serving in Iraq much harder than other schools across the country.

1st Cavalry and 4th Infantry Divisions Hit Hardest by Bush Military Education Budget

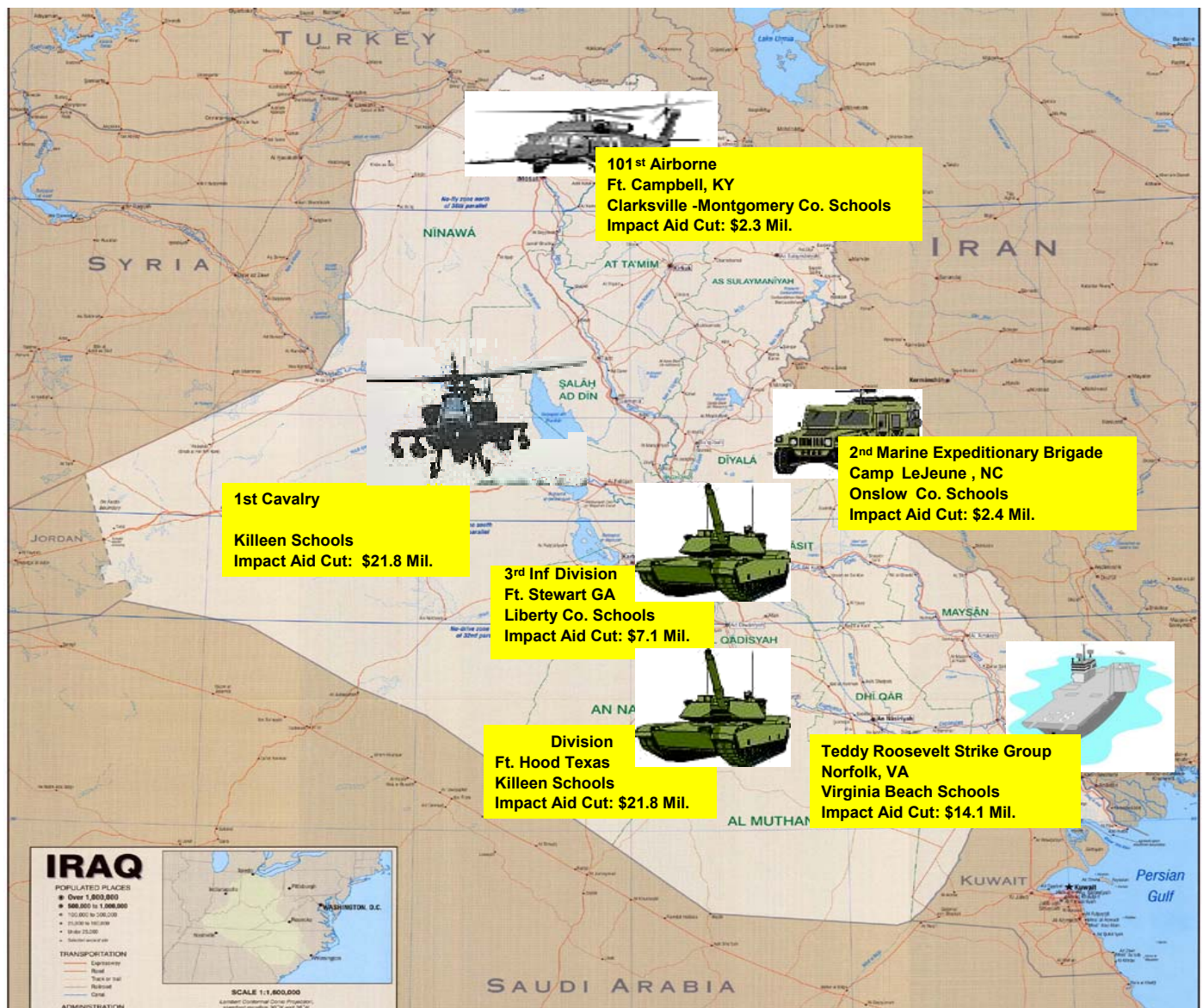


One example is the two units based at Fort Hood Texas, the 1st Cavalry Division and the 4th Infantry Division. About 3,000 members of the 1st Cavalry's 227th Aviation Battalion provided combat aviation support for the Third Infantry Division as it raced through the deserts of Southern Iraq, fought its way through the Karbala Gap and captured the Baghdad

Airport. Two members of that unit were killed in combat.

The 4th Infantry Division was originally expected to enter the Iraq War through Eastern Turkey and open a Northern front against the Iraqi military. More than 20,000 members of the 4th Infantry Division from Fort Hood finally crossed into Iraq from Kuwait in mid April. Three members of the unit have thus far died in peacekeeping operations.

Back at home, the families of the 1st Cavalry Division along with the families of the 4th Infantry Division live in and around Fort Hood, Texas, one of the largest military installations in the country. The 42,000 uniformed personnel at Fort Hood send nearly 14,000 students to the public schools in nearby Killeen, Texas and an additional 2,700 students to the Copperas Cove School District.



The President's Impact Aid proposal would cost the Killeen schools nearly \$22 million in federal support for the coming school year—enough to support over 400 teachers. These funds represent **13 percent** of the school system's total operating budget. The system is already so strapped for cash that portable trailers have become permanent classrooms.



Portable trailers at the Killeen School District

While it has been argued that the cuts in Impact Aid can be made up from state and local revenues, that does not seem to be the case with respect to the Killeen schools. The Texas legislature adjourned for the year in May providing less than a cost of living adjustment in general fund education assistance and cutting funds for textbooks and teacher health insurance by \$182 million.

Killeen will absorb approximately \$4 million of that state cut. In describing the situation, Killeen School Superintendent, Dr. Charles Patterson, commented, "We use the word catastrophe."¹

¹ As quoted in a story by Brad Watson, WFAA-TV, February 21, 2003.

A more devastating blow would be dealt to the smaller Copperas Cove School District, which would lose \$9.6 million—100 percent of its Impact Aid funds and 22 percent of its entire operating budget.

School System Serving 3rd Infantry Division Would Suffer a \$7 Million Cut



The more than 18,000 members of the 3rd Mechanized Infantry Division from Fort Stewart, Georgia were at the vanguard of the invasion, crossing into Southern Iraq on March 20th racing up the West Bank of the Euphrates River. The 3rd Division pounded Republican Guard units on the outskirts of Baghdad, seized the Baghdad Airport and were among the first units into downtown Baghdad. So far the unit has suffered 33 combat related deaths.



The families of the 3rd Division are largely located at Fort Stewart, Georgia and are served by the Liberty County Board of Education where the proposed cuts in Impact Aid funds also would be devastating.

Under the President's proposals, the Liberty County Board of Education would see its Impact Aid funding drop by \$7.1 million—about 12 percent of its operating budget. Like the Killeen School District, Liberty County would lose its "heavily impacted" status.

Nearly 3,900 of the 10,600 students, in the Liberty County Schools are military dependents from Fort Stewart. The President's proposal would eliminate Impact Aid payments for 85 percent of those students. Unless the district finds other resources to plug the budget gap created by the President's proposals, educational services for all 10,600 students would be shortchanged. That appears highly unlikely since the Georgia Legislature has adjourned for the year after adopting a \$158 million cut in assistance to Georgia school districts.

2nd Marine Expeditionary Brigade and other Deployed Units from Camp Lejeune, North Carolina Would Lose All Impact Aid Assistance



The 2nd Marine Expeditionary Brigade from Camp Lejeune, North

Carolina, represented the largest contingent of Marines in Iraq. Elements from the 2nd Marine Expeditionary Force as well as elements from the 1st Expeditionary Force secured the southern oil fields and advanced through South Eastern Iraq along the eastern bank of the Tigris River.

The 11,000 men and women deployed to Iraq from 2nd Expeditionary represent only a portion of the more than 18,000 Marines from Camp Lejeune now deployed to Afghanistan and the Persian Gulf. Most of these military families send their children to the Onslow County public schools. About 5,300 military dependents comprise one-fourth of the total student enrollment; another 1,500 children are from civilian parents connected to the base.

Ronald Singletary, the Onslow County superintendent, commented, "I think it's really critical that our military troops don't sense that their families aren't of value."² Yet, under the Administration's proposal, these children would be left behind.



² As quoted in a story by Ben Wear, "Bush's Impact-Aid Plan Has Familiar Ring", *Education Week*, February 26, 2003.

Federal payments for all 6,800 students would be discontinued, resulting in a loss of \$2.4 million to the school district. This amount is enough to support about 45 teachers.

101st Airborne Division Schools Would Lose All Impact Aid Assistance



The 101st Airborne Division from Fort Campbell, Kentucky, contributed to U.S. military activities in Iraq in a number of ways and currently is engaged in peacekeeping operations in Northern Iraq. Thus far the unit has suffered seven combat deaths.

The Clarksville-Montgomery County Schools serve Fort Campbell and would lose \$2.3 million or 100 percent of the Impact Aid received by the system in the 2003 school year.

Sailors from the USS Theodore Roosevelt Strike Group of Norfolk, VA are among Many Tidewater Area Service Members Hit Proposed Impact Aid Cuts by



The Carrier USS Theodore Roosevelt and the eight ships that make up its strike group are all homeported in Norfolk, Virginia.

These ships were deployed to the Persian Gulf in February of this year and are still on station only miles off the Iranian coast. Jets from the Roosevelt were among the first to strike during the Iraq War.

The vast majority of the families of the more than 10,000 sailors that serve in the Roosevelt strike group live in the Tidewater area of southeastern Virginia and a large portion of their children attend schools in the Virginia Beach School District. That school district received more than \$15 million in federal Impact Aid assistance for the 2003 school year and would lose more than 90 percent of those funds under the President's proposed budget.

Similar stories can be told about numerous other units serving in Iraq, Afghanistan, Korea and other dangerous and difficult parts of the world. The sailors in the Abraham Lincoln Strike Group, homeported in the Puget Sound area of Washington State, have children enrolled in a number of different school districts facing severe cutbacks in federal assistance and little prospect of making up the difference with local or state revenue.



The Central Kitsap School District, which serves much of the area surrounding Bremerton and Bangor Naval Bases, would lose \$11.5 million or more than 80 percent of its Impact Aid support. That equals 14 percent of the entire school budget. The air wing of the Lincoln is stationed at North Island Naval Air Station near San Diego. The San Diego schools would lose more than \$5 million of the \$9.7 million they now receive in Impact Aid.

Why Should the Federal Government Make Special Payments to these Schools?

Many of our military installations and particularly our largest installations were deliberately located in areas where the huge tracts of land needed for practicing military exercises could be purchased cheaply. As a result, many of the communities surrounding these installations are rural or semi-rural areas facing significant economic development problems. They would face significant challenges maintaining quality schools even without the infusion of large numbers of military dependents.



While it is true that military installations provide an economic boost to such communities, the economic activity that military installations generate fails to create a revenue base that is even close to covering the costs associated with providing services to the military community. This is particularly true with respect to schools.

The fact that all military property is exempt from property tax is only one factor that reduces local revenues needed to support schools and other services. A very large portion of individuals serving at any particular installation are not residents of the state in which the installation is located and as a result pay no state or local income taxes. In addition, service members naturally take advantage of the shopping opportunities provided by the installation commissary and Post Exchange. As a result, they pay no sales tax. Further, members of the military that reside in “off-base” housing are often more junior, lower paid and likely to rent apartments, homes or trailers that generate far less property tax than would be needed to cover the services they and their families require.

The federal government has never paid the entire cost of providing education for military dependents. While the average per pupil expenditure for students nationwide is about \$7400, the current payment by the federal government for children whose families live on a military installation is about \$3500 or about half of a typical school

district's annual per pupil cost. Despite the fact that "on base" families are likely to pay little or no taxes in support of local schools, local school districts must eat half the cost of educating their children.

That, however, is generous relative to federal payments for military children who live off base. The current federal payment for these children is only about \$700 per pupil or one-fifth the cost for "on base" children and one-tenth the average per pupil cost which the school system must pay. It is that payment which the President is proposing to eliminate.

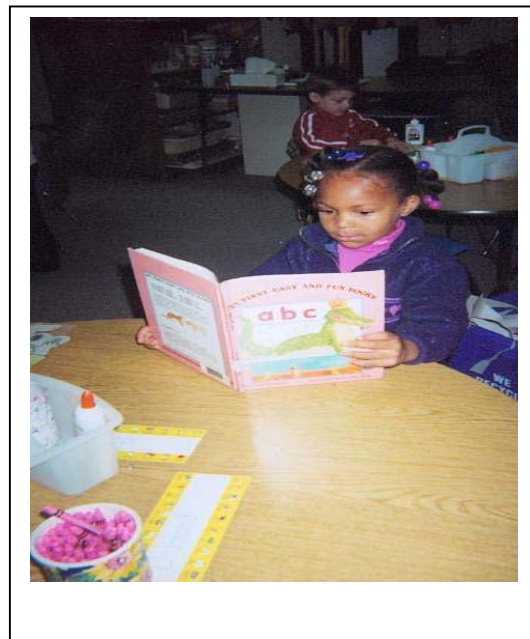
The Administration Rebuttal

In an effort to justify the proposed cut in federal school funds to these districts, the Administration has argued that the reductions will be offset by increases the Administration is proposing in Title I and special education programs. That argument is ridiculous on its face.

As the above discussion illustrates, the proposed cuts in Impact Aid have a huge impact on the select number of districts that serve most of the largest U.S military installations. The proposed increases in Title I and special education are marginal and are distributed nationwide to all districts. Most of the districts mentioned in the above discussion will not receive more than a tiny fraction of increased funds from Title I and special education relative to the amounts of Impact Aid they would lose.

It is also disturbing that the Administration would use this argument, given the fact that its fiscal year 2004 budget actually proposes to cut elementary and secondary education funding below the levels that Congress approved for fiscal year 2003.

Impact Aid assistance is distributed primarily based on the numbers of federally connected children enrolled in a school district. In contrast, Title 1 and special education funds are distributed based on the numbers of low-income or disabled children, respectively, enrolled in a school district. Thus, a school district with a significant number of military students, but a small number of children from low-income families or children with disabilities is unlikely to be able to fully offset its Impact Aid revenue loss with Title 1 or special education funds.



Student learning her ABC's at the Copperas Cove School District

Table 4 displays estimated fiscal year 2003 and 2004 allocations under the Impact Aid, Title 1 and special education programs for the 25 school districts with the largest dollar cuts under the Administration's Impact Aid proposal. Considering the total estimated amount of federal funds available to these districts under the Administration's fiscal year 2004 budget proposals for the three programs, all but two of these districts would experience significant cuts that are not offset by Title 1 and special education increases.



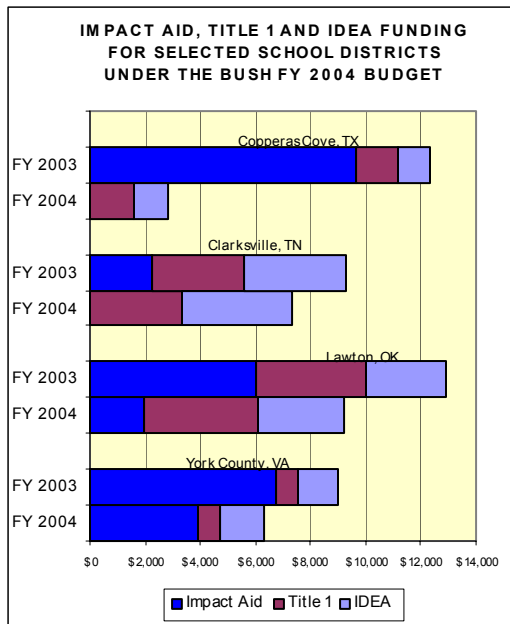
The Cost of Ignoring the Challenge Faced by Military Families to Ensure Quality Education For their Children

For example, the York County School District in Virginia would see its combined allocation of Impact Aid, Title 1 and special education funding fall from \$9.0 million in fiscal year 2003 to \$6.3 million in fiscal year 2004 under the Administration's budget proposals. This is a loss of \$2.7 million or 30 percent. The Copperas Cove School District in Texas would lose even more – 77 percent – of its comparable funding.

There are several consequences that will result from elimination of the "off base" Impact Aid payment. The first is that it will place an even greater squeeze on a select number of school districts that are already facing severe financial challenges.

Second, it will undoubtedly result in lowering the pay and quality of teachers that such school districts can attract. Simultaneously, it will force reductions in the teaching force and an increase in average class size.

Third, it may diminish the standing of military families within some school communities because of the frustration that local officials and taxpayers may feel about shouldering such an unfair portion of the financial burden of educating military children. This may make it more difficult to obtain the kinds of special services that schools should provide to children who may be forced to relocate frequently or whose parents may be called upon



to leave home or be placed in combat.

Fourth, deterioration in the current quality of schools that serve military installations will be seen by many military families as a serious blow to overall quality of life. It is likely to affect reenlistments and will force the military to explore additional pay and benefit options to induce higher retention levels. Ultimately, the cuts could be costly even to the federal budget.

Attachments

Approximately 385,000 children – one-third of those eligible for Impact Aid – are military dependents. Under the Administration’s fiscal year 2004 budget proposal, federal payments for 243,000 military children who live off military bases - 63 percent of all eligible military children - would be eliminated.³

Table 1 lists the fifty school districts with the largest number of military children and the military bases served by these districts.

Table 2 lists the fifty school districts enrolling military children with the greatest dollar losses of Impact Aid funds under the Administration’s proposal.

Table 3 lists the fifty school districts enrolling military children with the

greatest proportionate losses of Impact Aid funds as a percent of their total school budget.

Table 4 displays estimated fiscal years 2003 and 2004 allocations under the Impact Aid, Title 1 and special education programs for the twenty-five school districts with the largest dollar cuts under the Administration’s Impact Aid proposal.

Table 5 provides estimated state allocations under the Administration’s fiscal year 2004 Impact Aid proposal.

Table 6 provides estimated school district estimated allocations under the Administrations fiscal year 2004 Impact Aid proposal.

³ The total number of “federally connected” children for whom Impact Aid payments would be eliminated under the Administration’s fiscal year 2004 budget is approximately 850,000 students including children of both military and civilian parents.