



*Great Public Schools for Every Student*

**STATEMENT OF**

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**BEFORE THE  
COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON LABOR-HHS-EDUCATION-RELATED AGENCIES**

**U.S. HOUSE OF REPRESENTATIVES**

**ON**

**EDUCATION AND THE FISCAL YEAR 2011 BUDGET**

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Chairman Obey, Ranking Member Tiahrt, and members of the Committee, thank you for the opportunity to speak with you today about education funding for fiscal year 2011.

As a 23-year veteran classroom math teacher, I have the great honor of being here today representing 3.2 million members who all believe in the power of education to transform lives. NEA members include teachers and education support professionals, higher education faculty and staff, Department of Defense schools' educators, students in colleges of teacher education, and retired educators across the country.

My testimony today will touch upon the President's budget proposal and strategic investments the federal government can make to maximize student achievement, ensure every student the opportunity to excel, and jumpstart the economy. In particular, I will address overall funding levels, investment in core programs such as IDEA and Title I, innovation, and the role of competitive versus formula grants. I will also discuss the need for investment in education jobs to jump start local economies and keep schools fully staffed with teachers and education support professionals at a time when many students and families are experiencing great stress. Overall, we agree with the President about the need for additional investments in education. However, we must raise a red flag concerning the proposed shift away from formula grants and toward competitive grants – a shift that will cause great instability among states already struggling with budget crises. I will address this issue further later in this testimony.

The public education system is critical to democracy. Its purpose is to:

- Maximize the achievement, skills, opportunities and potential of all students by promoting their strengths and addressing their needs; and
- Ensure all students are prepared to thrive in a democratic society and diverse changing world as knowledgeable, creative and engaged citizens and lifelong learners.

However, today, students' success in school depends in large part on the zip code where they live and the educators to whom they are assigned. We must address these opportunity gaps if we are to strengthen our economy, prepare our students to compete, and build the educated workforce necessary for the 21<sup>st</sup> Century.

We have an interdependent, rapidly changing world, and our public school system must adapt to the needs of the new global economy. Every student will need to graduate from high school, pursue postsecondary educational options, and focus on a lifetime of learning because many of tomorrow's jobs have not even been conceived of today. Our public schools need a wholesale transformation with the resources to match our commitment. We cannot leave a generation of students behind by continuing to deny them the best education this country has to offer.

## **Fiscal Year 2011 Budget**

### Overall investment in Education

The President's budget request for 2011 includes a significant increase in funding for education -- reflecting an understanding that education fuels success for our students and for our nation. Research shows an inextricable link between investment in education and economic strength (See attached "Education as an Economic Driver"). We are encouraged that, while the budget proposal freezes the overall level of discretionary spending (apart from national security and mandatory

entitlements such as Social Security, Medicare and Medicaid), education receives a 7.5 percent increase, or approximately \$3.5 billion.

**We believe Congress should, in its Budget Resolution, provide for at least the increase in education called for by the President.** The President and Congress have demonstrated their commitment to children and our nation's future with recent historic investments in education. The President's budget plan demonstrates our mutual beliefs that a country that makes education a priority is bound for economic success.

We support the President's effort to make college more affordable for more Americans, and the proposed investments in early childhood education. We commend the House for passing the Student Aid and Fiscal Responsibility Act (SAFRA), which will provide significant investments for both post-secondary education and early childhood learning as well as resources for K-12 school modernization. We hope the Senate will move quickly to pass this landmark legislation.

### Higher Education

We thank the House and Administration for focusing on the need for investments, expansion, and improvement in post-secondary education. This focus, which will help augment student access, persistence, and success in higher education, is essential to our nation's economic stability. Simply put, investing in postsecondary education helps ensure the well-educated citizenry so essential to our nation's future well-being. Economic independence and the ability to prosper financially are linked to educational attainment, as evidenced by decades of data. While the link between education and earnings has long been established, the gap in earnings for people with differing levels of education has grown in recent years. In 1980, full-time workers (ages 25-34) with a bachelor's degree or higher earned on average 1.25 times more than those with only a high-school diploma; by 2006, this ratio had increased to 1.7. With each year of postsecondary education completed, earnings tend to increase.

At a time when a college education has become even more important, students and their families are scrambling to pay for it. With the President's proposal, relief may be in sight for people struggling to repay student loans. NEA supports the President's plan to transform the federal student loan program and make college more accessible for a greater number of Americans. We are pleased to see substantial increases in the Pell Grant program in the President's proposal. We must restore the purchasing power of the Pell Grant. When the Pell Grant program was first created, the maximum grant for the poorest students covered 77 percent of the cost of a public four-year college. Today, it covers only 35 percent.

We also applaud the President's efforts to revitalize community colleges, which we know are part of the road to success for many families. We must continue to invest in this valuable resource. To ensure students' needs are met, we hope the Administration follows up with a renewed investment in faculty and staff at colleges and universities.

### Early Childhood Education

We also commend the House and the Administration for supporting investments in early childhood learning, particularly the over \$9 billion early childhood investments included in SAFRA. Four decades of research show that high-quality early learning provides the foundation for building a strong workforce for future generations. Children's learning begins well before they enter school,

and the transition to school must be founded on strong school readiness. Quality early childhood education is a key predictor of a child's future educational achievement and emotional development.

We are very pleased that SAFRA makes significant investments in comprehensive, high quality early childhood education. In particular, we support provisions that would:

- Build an effective, qualified, and well-compensated early childhood workforce by supporting providers with degrees in early education and providing ongoing professional development opportunities; and
- Promote parent and family involvement by developing effective outreach strategies.

We are also pleased that the President is proposing to increase funding for Head Start programs that provide education, health, nutrition and parental involvement services to low-income children and their families. The proposed significant increases for Head Start and Early Head Start are projected to continue providing services to the 64,000 additional children and families served through the American Recovery and Reinvestment Act.

Democrats and Republicans have increased state preschool funding by more than \$2 billion and enrollment in state-run pre-k programs has grown by more than 330,000 since 2004. Despite these impressive funding gains, less than 30 percent of the nation's 3- and 4-year-olds are served by publicly funded early education. Worse, almost half a million children from low-income families are among those being left behind. Federal action, such as that in SAFRA, is needed urgently to reinforce states' progress and accelerate the growth of early learning programs. (Fund Early Childhood Education, Susan K. Urahn, Forbes, October 7, 2009.)

### Support for Core Programs

Although the President has proposed an overall increase for education, the funding levels proposed for core, foundational programs, such as Title I and IDEA, are considerably less than what is necessary. In 1965, as part of his War on Poverty, President Lyndon Johnson signed the Elementary and Secondary Education Act (ESEA) to reduce inequity by directing resources to poor and minority children and signed the Higher Education Act (HEA) to provide more opportunities and access to postsecondary opportunities for lower and middle-income families. Poverty is still an issue in this country, and unfortunately we still have schools that lack resources, committed and effective leadership, and enough great teachers and education support professionals to reach every student. Schools in struggling communities too often have high dropout rates, and the cycle of poverty continues.

The federal government must be engaged in these issues, and must begin by fully funding programs such as Title I and IDEA – programs that are critical in providing necessary and sustained funds to schools serving disadvantaged students and special populations. We are also calling on Congress to require that states develop “adequacy and equity” plans that would measure and address disparities in educational resources, opportunities, programs, and quality among communities and districts. Additionally, the federal government should reserve a portion of funds to provide intensive support to struggling schools and provide research, assistance and guidance to foster sustainability of high-quality education programs, even in times of economic hardship.

Federal investment in these core programs is particularly critical in this economy. State budgets typically lag any national economic recovery by a year or longer and, as a result, budget gaps will

continue into fiscal year 2011 and beyond. For many states, 2011 will mark the third consecutive year in which budget balancing actions will be needed to close sizable budget gaps.

While the budget proposal calls for a \$250 million increase to the Individuals with Disabilities Education Act (IDEA), it still falls dramatically short of the government's promise to fund IDEA at 40 percent of the excess cost of educating children with special needs. The American Recovery and Reinvestment Act got us closer than ever to meeting the federal government's commitment, but those funding levels are not sustained beyond 2011. IDEA is essential, yet it remains badly underfunded, placing further strain on state and local budgets that already are at historic shortfalls. We strongly urge this committee to increase IDEA funding substantially in 2011 and put us on a path to finally fulfilling the 40 percent pledge.

### Innovation

NEA shares the Administration's goal of fostering innovation and reform to close the gaps in achievement and opportunity in our nation's schools. Our members have been part of numerous successful, targeted efforts to create optimal conditions for student learning and to develop and implement successful strategies to turn around struggling schools.

While NEA supports the overarching goals of Race to the Top and its inclusion in the federal budget, the Administration must provide more detailed guidance and clarifications on how the program affects state and local laws, policies and agreements affecting school personnel. We urge the Administration to conduct a comprehensive evaluation of the first phase of Race to the Top with input from national, state and local stakeholders, and make necessary course corrections. In the interim, we recommend the \$1.85 billion proposed for Race to the Top and Investing in Innovation in this budget be directed to Title I, IDEA, and English language learners.

### Competitive Vs. Formula Grants

The President's proposed budget shows a decided trend toward more competitive grant programs. When compared to fiscal year 2010, competitively awarded funding in the budget proposal would increase by \$4.9 billion, or 68 percent. State formula-allocated funding would be reduced by \$1.4 billion – or 3.6 percent. Non-formula funds would grow to almost one-fourth of all discretionary funds in 2011 from less than 16 percent in the current year.

We are concerned about the consequences of such a dramatic shift. NEA recognizes the complementary nature of formula and competitive grants. Formula grants provide a solid foundation for the resources needed to ensure a quality education. Competitive grants spur innovation. But, while federal formula grant programs are always important, they have never been more so than in today's difficult economic climate. Providing some level of certainty to states and local school districts through formula-driven federal aid offers stability in an otherwise rapidly deteriorating fiscal environment, particularly for high-need urban schools and small, rural districts.

We would also like to raise a concern regarding the proposed elimination of a funding stream for Parent Information Resource Centers (PIRC). We all know that parents and caregivers are students' first teachers. We need to support their involvement in students' education and encourage their involvement in school activities and plans. PIRCs are the only federal program dedicated to increasing family engagement. The program annually serves 16.4 million parents, primarily within low income and Title I communities, where the achievement gap is the greatest. PIRCs play a key role in implementing or collaborating with other programs to deliver parent training and other

resources to many minority and recent immigrant families. Without this funding stream, parent education and parent outreach programs for these communities could be lost.

### **Supporting Effective Educators**

A growing body of research confirms what school-based personnel have known for years—that the skills and knowledge of teachers and education support professionals (ESPs) are the greatest factor in how well students learn. In turn, the presence of strong and supportive school leaders is one of the most important factors for recruiting and retaining accomplished teachers and ESPs. But for too long, we have neglected the most important factors in ensuring a strong and healthy pipeline of qualified educators. Today, the average person will change jobs between three to five times in a lifetime. Half of all teachers leave the classroom after five years. Fewer schools have experienced educators. As an entire generation of educators enters retirement, there is an urgent need to address all aspects of working in public schools. It is time to elevate the profession.

The federal government must assist states to help seed future generations of educators at the earliest stages of undergraduate education and teacher recruitment all the way through teacher placement and retention. In particular, it is clear that we need a bold new center of excellence to bring prestige to the teaching profession: a national education institute to attract top college graduates and second-career professionals from across the country.

Also, we know that even the best teachers struggle to perform well without the presence of an effective instructional leader. Primarily principals and other administrators, school leaders could include other colleagues who serve as mentors and coaches. Federal policies, therefore, must foster well-prepared and effective administrators as well as leadership skills within school professionals of different ranks and positions. And it is time that we recognize and support education support professionals, without whom no school would be able to succeed.

Finally, we must ensure that great educators exist in every school, whether high- or low-achieving. The federal government must develop policies and provide funding that enables struggling schools and districts to offer incentives and conditions that will attract and retain the best educators in the nation.

### **The Success of the American Recovery and Reinvestment Act**

Federal education funding is a priority, and never more so than now, as the nation moves out of a deep recession, spurred along partly by action taken last year by the White House and Congress to pass the American Recovery and Reinvestment Act. As the U.S. Department of Education has recently reported, more than 300,000 education jobs – teachers, principals, librarians, and counselors – have been directly supported by Recovery Act dollars, along with almost another 100,000 public service positions, including corrections officers, public health personnel, and construction workers. The Congressional Budget Office has noted that the impact goes even further, to include all the jobs that were created or retained indirectly as the stable incomes from Recovery Act-funded jobs boosted demand for products and services.

Last month, Christina Romer, head of President Obama's Council of Economic Advisers, stated that fiscal relief to states under the American Recovery and Reinvestment Act has been "one of the triumphs" and has had "more bite than we would have thought." This observation coming from the CEA Chair affirms the economic value to the nation of this aid and reinforces the need to continue such assistance.

Behind the numbers, however, are the very real impacts on education. For example:

- School district officials in **New York City** told the Government Accountability Office (GAO) that Recovery Act funds helped the city reduce a total education budget gap of nearly \$1.46 billion to \$400 million for the current school year and avoid teacher layoffs.
- In the small, rural school district of **Jasper-Troupsburg in upstate New York**, district officials said they were facing a budget gap of \$250,000. Without the Recovery Act, the district would have been forced to cut teachers' salaries and reduce work hours, as well as lay off 8 to 10 teachers out of a staff of 60.
- Similarly in **Charlotte-Mecklenburg, North Carolina**, school officials told the GAO that Recovery Act funds enabled the district to compensate for cuts in state and local funds and to retain education jobs.
- Officials at the **Arlington Elementary School District, a rural district in Arizona** comprised of a single school, said that the IDEA Recovery Act funds would help the district add a special education teacher to the one they currently have due to the addition of three new students with disabilities. Without the IDEA Recovery Act funds, the school would have had to draw funds away from general education needs, which would have meant combining classes and eliminating a position.
- Likewise, in **Weldon City Schools in North Carolina**, officials reported that IDEA Recovery Act funds allowed the district to create teaching and teaching assistant positions for severely emotionally disturbed students. Without these funds, officials said they would have had to lay off two special education staff and would have been unable to provide the intensive support for students with special needs.
- **Montgomery County, Maryland** public schools report that Title I Recovery Act funds enabled them to decrease class sizes, increase reading and math support by maintaining teacher levels, increase support for English for Speakers of Other Languages programs, and expand programs in high demand, including full-day Head Start to promote early childhood education.
- **Conway Public Schools in Arkansas** directed most of its Recovery Act funds to facilities. Some projects have already been completed, such as new light fixtures that are more environmentally friendly and retrofitted HVAC systems, enabling the district to save on future energy costs. Using Title I Recovery Act dollars, the district financed a six-week summer enrichment program that served 125 struggling students in K-4; and the plan is to continue the program for the next two summers serving even more students.<sup>1</sup>

In addition, Recovery Act funds were used to mitigate tuition increases at public universities in at least 31 states. The U.S. Department of Education has reported that the University of Massachusetts was able to rebate a \$1,500 fee increase and instead employ the standard annual increase to cover the cost of inflation. At the University of Minnesota, an expected tuition increase was cut by about half. The Minnesota State College and University system, which includes the

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<sup>1</sup> Fiscal Stability Allows for Long View on Stimulus, Education Week, February 10, 2010.

state's community colleges, reduced a planned tuition increase from five percent to two percent. In Virginia, Recovery Act funds kept tuition increases to the lowest rate since 2002.

### **The Need for Additional Investments in Education Jobs**

What is too often lost in the discussion on the Recovery Act is how much worse the economy and employment picture would have been in its absence. The Economic Policy Institute has documented that the rate of job destruction from the beginning of the recession in December 2007 to the passage of the Recovery Act was 50 percent greater than even the severe recession in the early 1980s. Economists have estimated that without the Recovery Act, the unemployment rate would now exceed 11 percent rather than the current 9.7 percent, a loss of at least another 1.2 million jobs. Of course, an unemployment rate of 9.7 percent is unacceptably high, and more needs to be done to drive it down.

States are now preparing their fiscal year 2011 budgets, and the budget picture is looking bleaker than for the current year. According to the Center on Budget and Policy Priorities, state budget deficits for 2011 are estimated to be \$180 billion. Additional federal aid to the states is urgent, modeled on the Recovery Act's State Fiscal Stabilization Fund, but targeted to jobs exclusively. Absent such aid, greater spending cuts and higher taxes and fees will result and will be a drag on the economy at the worst time. This could lead to a double-dip recession, leaving permanent scars on the economy for years to come. We have received many first hand-reports from our affiliates about the devastation facing public education in the next budget cycle:

- **Kansas** is facing an \$85 million hole in this year's budget. And, for the 2011 budget, legislators are facing a budget gap of over \$400 million. There is a call in the Kansas House of Representatives to balance the 2011 budget by first taking large cuts to public education while sparing the social safety net and public safety programs. In addition to making more cuts to public education in the allotment process, the Governor minimized those cuts by advancing ARRA funds reserved for 2011 into 2010. This action, while good for now, exacerbates the budget difficulties for 2011. Without either significant movement in the state on the tax and revenue side or additional federal aid, K-12 schools will be facing a 7.1 percent "cliff" at the start of the 2012 school year.
- **Idaho's** Joint Finance-Appropriations Committee (JFAC) has set the FY 11 Public Schools Budget. It represents a \$128.5 million decrease in total revenue over last year, or an average 7.5% cut for any school district that will experience student growth and an 8.5% cut for any school district that will experience a decrease in student population. Many valuable and important programs are on the chopping block for the next school year. Districts who counted on state funding to provide for classroom supplies will have to make tough choices about whether to spend money on those supplies, student transportation, Gifted/Talented teacher training, maintaining health insurance benefits for employees, or a variety of other options.
- **Montana** reports that if the state loses Recovery funds, there is simply no way the university system will be able to recover without massive cuts to instructional budgets. A cut of this magnitude would represent just over 15 percent of all state support for higher education. Tuition would need to rise by roughly 12-16 percent per year to make up for it.
- In **North Carolina**, the General Assembly has already penciled in an additional \$304.7 million "discretionary" cut for local school districts for the 2010-11 academic year. This cut,

combined with the weak classroom protection language used in the budget from 2009, will likely translate into more than 6,000 education jobs lost next year.

- **California** is projecting as many as 20,000 education layoffs due to the budget crisis.
- In **Indiana**, the governor is cutting \$300 million from the current school budget year. Up to 5,000 teacher layoffs are anticipated.

An Education Jobs Fund offers a particularly effective way to jumpstart economic recovery. Saving an education job involves no wait time to draw up contracts or acquire materials. A fund that would extend state stabilization aid will help put more faculty into higher education classrooms, including those at community colleges (where enrollments have increased as much as 40-50 percent), so that students can get the education they need to get back to work. It will also help keep schools fully staffed with pre-k through post-secondary teachers and education support professionals at a time when many students are experiencing great stress. A recent University of California study found that children in families where the head of the household had lost a job were 15 percent more likely to repeat a grade. A January 2010 report from the bipartisan First Focus Campaign for Children found that 1 in 7 children are living with an unemployed parent, nearly a doubling of children in just over two years.

A significant impediment to the nation's economic recovery would be another round of public sector layoffs and cuts in state and local spending on goods and services contracted out to the private sector. School enrollments continue to rise in many parts of the country regardless of the economic climate, which is compounding the effects of reduced state aid for local education budgets. Overall, enrollment for public preK-12 is projected to reach 50 million students in the fall of 2010, or 246,000 more than the prior year.

So far, school districts have been coping by closing schools during breaks, cutting energy costs, changing bus routes, and even shifting to four-day weeks, but the next round of cuts will reach directly into the classroom. The result: more teacher layoffs, larger class sizes, and the elimination of school counselors, music and art classes, extracurricular activities, and summer school programs. Leaving states to cut education more deeply to balance their budgets without additional federal aid is short-sighted. Lessening the quality of education a student receives today as a result may prove irreversible. Long-term productivity growth and a higher standard of living are dependent on an educated workforce.

We commend the House for passing the Jobs for Main Street Act, which includes \$23 billion for an Education Jobs Fund. This critically-important fund will save or create an estimated 250,000 education jobs over the next two years. The bill also included \$4.1 billion to finance school construction, rehabilitation, or repair; and \$300 million for the Federal Work Study program which, along with institutional matching funds, will support 250,000 low- and moderate-income students who work while attending college. Equally important, the bill will help provide stability in the classroom for students across the country. We continue to call on the Senate to move quickly on an Education Jobs Fund.

We also commend Education and Labor Chairman George Miller for introducing a new bill last week that would provide \$75 billion to local communities with grants that can be used to support education and public service jobs. We particularly appreciate that this bill also includes the \$23 billion from the Jobs for Main Street Act, to help save some 250,000 education jobs. We thank

Chairman Miller for taking this opportunity to remind the Congress of the need to act quickly to enact this urgent funding.

**Conclusion**

Transforming America’s public schools is a daunting task. It will take the concerted efforts of all stakeholders and the commitment to continue the effort until every student has access to a great public school. At the core of this effort is ensuring the fiscal stability of the educational system so that the energy of stakeholders can be spent on how best to serve students.

We know the road to economic stability and prosperity runs through our public schools, and we know that every student deserves the best we can offer. It is now time to deliver. NEA stands ready to do its part.

Thank you for the opportunity to provide this testimony.