

Dr. Pam Deering, Superintendent
Midwest City-Del City Public Schools,
Home of Tinker Air Force Base
Midwest City, Oklahoma

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Good Morning Chairman Cole, Ranking Member DeLauro and members of the Subcommittee.

My name is Pam Deering. I am the Superintendent of the Midwest City-Del City School District in Midwest City, Oklahoma. I also serve as the President of the National Council for Impacted Schools (NCIS). I have been in education for over 40 years as a special education teacher, Assistant State Superintendent for School Finance, District Deputy Superintendent for Human Resources and Finance, and now as the Superintendent. Impact Aid is critical to my school district and to the other 1,300 districts nationwide. My students and community depend on the continued financial support that is represented by the Impact Aid program for the monies that we receive in the place of property tax income for the federal presence. Our mission is clear—when students enter our schools they will be safe, challenged and ready! These monies ensure that our schools will continue to prepare our students for the world of work and as responsible citizens—the cornerstone of our democracy!

It is vitally important that this Subcommittee recognize the importance of Impact Aid for the 908,300 federally-connected students served and that Impact Aid must be a Congressional priority for the FY 16 funding levels.

Mid-Del Schools serve the men, women, and families of Tinker Air Force Base, located in the heart of Oklahoma. Today, I will speak specifically about the importance of Impact Aid in our community and in the State of Oklahoma. Many other school administrators, parents, and

teachers can tell their stories and document the need for Impact Aid funds and how vital the monies are to the education of our students. From a national perspective, school districts that have a federal presence, serve students on and around military installations, federal property and Indian lands. While most school districts receive property tax collections to support schools, our federally-connected schools must depend far more heavily on Impact Aid support that is there to replace those collections lost due to the federal presence in the communities. Inadequate resources continue to impede the progress that we strive to make for our students to achieve the 21st Century education that they deserve.

Oscar Rose, former Mid-Del Schools Superintendent, led the charge to Congress to create a federal funding source to act as an in lieu of tax to local school districts for lost revenue as a result of tax-exempt federal property and to assist schools with the impact of increased expenditures due to the enrollment of federally-connected children. In 1950, Congress recognized the need to accept this responsibility in these areas impacted by a federal presence by partnering with local taxpayers to help meet the local responsibility of financing public education. The program provides direct, flexible funding to the impacted school districts. Impact Aid funds a range of programs, including programs to retain highly qualified teachers, adequate technology, STEM initiatives, facilities renovation, and maintenance of transportation vehicles. For many school districts, Impact Aid is the one source that allows the school systems to remain operational.

Indian Land school districts face the same need for Impact Aid. They serve a Native American population of over 93%, often in rural areas, with fewer tax payers and where everyone “pitches in” to support the educational program—administer the schools, teach, drive buses

and coach just to name a few. For reservation districts, Impact Aid represents their “tax base” and they have virtually no other sources of income to support their educational programs.

Districts that have a diminished tax base due to the federal presence of grasslands, national parks, Army Corp of Engineer projects, and property encompasses the military academies also depend on Impact Aid. These Federal Land districts have faced an uphill battle in the Administration’s budget proposal that has eliminated the program for the past 4 years. This program is known as Section 8002 and supports those districts where the Federal government is often the largest landowner, thus reducing the school district’s tax base.

Military connected districts and their military families face challenges as they work through multiple deployments and transitions. School districts must be prepared to help these families and students academically and emotionally. Impact Aid funding is vital to maintain exemplary educational and support services for these families whose lives are devoted to serving our Country.

In Oklahoma, Tinker Air Force Base is the single largest employer. The base is named in honor of Oklahoma native, Major General Clarence Tinker, the first Native American Major General. The 25 schools in Mid-Del serve 14,600 students; 2,275 that are federally-connected. Local support for all students in our District, whether federally connected or not, is funded at 19% collections from local property taxes. All of TAFB is exempt from these local property taxes. The Impact Aid maximum payment level based on the current formula is \$2.9M, but the district only receives \$600,000 of what is “owed” to the District.

This story of appropriations “not keeping up” is evident for my school district. In FY 2010, the payment as a percentage of the maximum payment was 24.9%. In FY 2012, the final payment was 21% of the maximum payment. In FY 2015, (using a 93% final LOT payout), the final payment would be 18.7% of the maximum for a 6.2% drop.

Lawton Public Schools, home of Ft. Sill, the largest recipient of Impact Aid in the State, is facing the same losses. In FY 2010, the payment as a percentage of the maximum payment was 56.6%. In FY 2012, the final payment was 49.9% of the maximum payment. In FY 2015, the final payment would be 41.4% of the maximum for a 15.2% drop. Nationwide the average percentage drop between FY 10 and FY 15 is approximately 9%.

Appropriations continue to slip each year as the cost of education increases, thus further reducing the amount “owed” to federally connected districts. How can we explain to our communities that the federal government is not paying its part, and that, in turn, forces school districts to depend more heavily on the State or reduce programs and services when State resources fail as well?

In Mid-Del, we have worked to consolidate our expenses by closing three schools and combining into two remodeled schools and two new schools. We are doing our part to manage our resources as are many school districts in the Impact Aid program. Reductions in Impact Aid payments from 24.9% to 18.7% since 2010 (keeping the maximum payment constant at \$2.9M), represents a loss of \$182,700!

While we understand that budget constraints are now a way of life at the local, state, and federal levels, we must continue to urge Congress to continue funding the entire Impact Aid program. We accept our responsibility for due diligence with our resources, making tough

decisions that could mean losing teachers, closing buildings, and reducing programs to just maintain a basic education. Telling people who work in these programs that the programs are closing and that they will lose their jobs or telling teachers that we cannot provide an aid in a class of 30 or more students or add another teacher have become frequent these days. Expectations for education have increased. The public, according to most polls supports its schools, but funding continues to lag behind, leaving dashed hopes for adding programs that prepare our students for the workforce of the future.

The need, Mr. Chairman, is evident that Impact Aid payments must, at a minimum, be maintained when compared to the percentage of the maximum. Both NCIS and NAFIS estimate that a 4% increase in Basic Support payments would put payments on a path that would bring the percentage of payments to maximum, almost back to where it was in 2010. We would also request that you do not give any consideration to the Administration's proposed budget that eliminates payments for Federal Property, Section 8002. There are 31 districts in Oklahoma that receive payments under this section of the law and most of them are small districts. In FY14, these districts received just over \$1.3M for an average payment of just \$42,000. While this may not be a large amount, to a district in Oklahoma it means a minimum of one teacher, textbooks, or school supplies.

In closing, Congress must continue to meet its obligation to fund schools that have lost their tax base due to the federal presence and who have additional students as a result of the federal presence that have special educational needs. We see it as an obligation and respectfully urge you to take the lead to support your federally-connected schools. They deserve your support. Thank you.