

Mr. HOWE. If I get your question correctly, it really concerns itself with financial capacities of individual districts that have groups of so-called deprived children.

Mr. ESCH. That is correct.

Mr. HOWE. I am not sure whether we have studies that show where there are high concentrations of deprived children there tend to be lower levels of financing.

Is that the case?

Mr. ESTES. Yes. Generally, this is the case.

Mr. ESCH. Generally but not completely.

Mr. HOWE. Not entirely. A good example is New York City which is funding its schools at average per pupil expenditure somewhere in the realm of \$800 per pupil, or maybe slightly higher than that.

In that sense, you would regard it as a relatively fortunate district. On the other hand, it has unimaginable problems in providing the deprived children with the kind of education with which they need to be rescued from what the schools have typically done for them or have been able to do for them.

Therefore, all of title I addresses itself to services over and above those provided by the local school district.

Mr. ESCH. If I may interrupt, the services which the local district has cared to up to this time provide, not that they were perhaps capable of providing in relationship to other districts throughout the country but which they were, for economic reasons and for other reasons, unwilling or incapable of providing?

Mr. HOWE. I think that is correct. This is a supplementary service to bring something additional in in the way of enrichments, something over and above the normal program, special services that had not been there before.

Mr. ESCH. But to the degree to which the service extends, it really does not raise the question of local support of funds. It skirts the issue of whether or not local districts and State districts are willing to support to a common degree educational opportunity?

Mr. HOWE. This is correct.

Mr. ESCH. And to this degree, then, it encourages local districts to look elsewhere for funds rather than develop local sources?

Mr. HOWE. You have to remember that it applies only to a portion of the educational activities in a local district, where there is a concentration of deprived pupils.

In most school districts this is perhaps a relatively small percentage of the educational activities the district supports. Therefore, to reach for educational quality on a normal operating basis, a school district is going to have to use its own funds or State funds available to it.

I think you are quite right, though, in your observation that this skirts any influence on the district's willingness to augment its base program with additional local taxes or State funds.

Mr. ESCH. It makes no value judgment on that?

Mr. HOWE. It doesn't affect that particularly except that it says to the local school district, "You have to keep up the level of activity you have had. You can't use these funds to supplant some of it."