

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS 1445

By way of comparison, during this past year, public elementary and secondary school districts spent \$3.6 billion for capital outlay purposes and completed some 72,600 classrooms. Nonetheless, this rate of construction only took care of the existing increase rate, not the backlog.

Current estimates place the existing backlog need at some 350,000 new classrooms and some 230,000 renovated classrooms. The cost of erasing this backlog, plus maintaining the present rate of school construction, will approximate some \$50 billion or \$5 billion per year for 10 years.

It is our opinion that the most pressing unmet educational need in America today is for adequate financial resources to aid in the cooperative financing school construction, remodeling, and renovation projects.

We recommend that the estimated ESEA Title I authorization for fiscal year 1968 be fully funded and that substantial portion of this increase be made available for the construction, remodeling, and renovation of public school buildings.

PUBLIC HOUSING STUDENTS

Last September there were 607,000 families residing within Federally-sponsored public housing projects. While there are no current national statistics available as to the number of children from these families who are currently enrolled in the public schools, we would estimate that the figure of one million youngsters, which was previously indicated to your Committee, is probably a conservative figure.

As the Committee is well aware, local government (including school districts) derives approximately 86% of its local tax revenue from property tax sources. Since Federally-sponsored public housing projects are exempt from local property taxes, nearly all of the local costs of educating these more than one million children are currently borne by their property-taxpaying neighbors.

At the present time a partial offset is provided in the form of payments-in-lieu of taxes which are paid by the public housing authority to the local public taxing bodies as a contribution for the full range of local governmental services which are provided for these 607,000 families.

This payment-in-lieu of taxes payment is limited by statute to 10% of the shelter rent which is paid to the public housing authority.

During fiscal year 1964 this provision resulted in \$18.6 million in payments. By way of comparison, the cost of educating one million children exceeds \$300 million in local taxes.

This tax inequity is not restricted to only the major metropolitan jurisdictions. 275,000 of these children reside within the 14 largest cities and the remaining 725,000 live in smaller and rural communities.

We recommend that the eligibility requirements of the Federally Impacted Areas Program (PL 815 and PL 874) be expanded to include the children of families residing within Federally-sponsored public housing projects.

I appreciate this opportunity to present these views on behalf of the National School Boards Association. Thank you.

Chairman PERKINS. Go ahead.

Mr. CALKINS. My name is Hugh Calkins. I am a member of the Cleveland Board of Education and a member of Dr. Ackerman's committee.

I would like to confine my testimony to the problem of Federal funding of programs for disadvantaged children with particular reference to the political problems of most of the big cities of this country.

Chairman PERKINS. With that idea in mind, do you feel that the categorical approach that we now have under title I or a general Federal aid approach will better serve these disadvantaged areas at this time?

Mr. CALKINS. In the immediate future with the limitations which exist on the Federal budget I am very sure that the categorical approach is essential if we are going to improve the quality of education in the inner-city.