



Impact of Military Mission Growth on States and Local Educational Agencies

July 30, 2008

Education, Early Childhood and Workforce Committee
Office of Federal Relations

Executive Summary

The U.S. Department of Defense (DoD) is in the midst of transforming our military to better address the needs and demands of the 21st century. In keeping with these goals, a number of bases across the nation are experiencing an enhancement of mission, an increase in training activity and defense operations, and an expansion in troop numbers through programs including Base Realignment and Closure (BRAC), Global Rebasing, “Grow the Force,” Joint Basing, as well as other force structure changes. As a result of this “mission growth,” the surrounding communities and the states hosting these installations are undergoing significant and rapid expansion. The level of growth that bases are projected to experience has not been seen since WWII, with some states expecting to gain tens of thousands of new residents.

As this military transition moves forward, states and Local Educational Agencies (LEAs) will face significant challenges associated with educating the children of our military men and women. Approximately 75,000 military dependent students will relocate to new schools by 2011 as a result of BRAC alone, creating an influx of students in some states.¹ However, this number is understated since it does not include other mission growth initiatives as well as potential increases in dependents of military contractors that may relocate to communities experiencing mission growth.

Depending on the military base, the number of incoming students can range anywhere from the single digits to several thousand. With most of these students expected to enroll in public schools, states and communities experiencing growth must prepare adequate classroom space and educational services for incoming students in advance of their arrival. However, in many communities, the current school infrastructure simply does not have the capacity to absorb the large and rapid influxes of militarily connected students that they will be responsible for educating.

Significant infrastructure investments will be required in advance of the anticipated expansions. Unfortunately, traditional state and local funding sources are not sufficient to cope with such large-scale and rapid expansions. Consequently, states and communities are experiencing difficulty in absorbing the influx of these militarily connected students.

The children of our military men and women and DoD civilian employees face a host of challenges growing up, including frequent school transfers as well as having one, or both, of their parents deployed. Military families deserve to have their children receive a quality education in facilities that are healthy, safe, and of adequate size. However, the window to prepare adequate educational facilities for the ongoing relocation of thousands of military students is rapidly narrowing. Without quick action to address this crucial issue, communities and states will struggle to meet the needs of militarily connected students.

Currently, federal resources to offset new education costs associated with mission growth are inadequate for states and schools. The federal government has not established a coordinated and systematic process to assist states or LEAs. Instead, states and LEAs are being directed to a patchwork of federal funding sources, none of which is designed to specifically assist schools experiencing the kind of mission growth currently underway. In a June 2008 report the Government Accountability Office (GAO) found that a lack of high-level leadership by DoD has made it difficult for community and state officials to effectively plan for and provide necessary infrastructure to accommodate DOD personnel and their families relocating to growth impacted communities.

This paper summarizes the challenges and limited federal options available to states and schools to meet the pending school facilities needs.

I. Background

The Department of Defense (DoD) is currently in the process of implementing several major military growth and realignment initiatives that are straining the ability of states and communities within their vicinity to accommodate incoming DoD personnel and their families. Collectively, the simultaneous implementation of recommendations from the 2005 base realignment and closure (BRAC) round, the redeployment of U.S. forces in overseas locations back to the United States under Global Defense Posture Realignment, a major Army reorganization known as force modularity, and force structure increases for the Army and the Marine Corps under an initiative called “Grow the Force” are generating large personnel increases at many military installation locations within the United States. Broadly, growth generated around a military installation is referred to as “mission growth.”

As a result of this “mission growth,” the surrounding communities and the states hosting these installations are undergoing significant and rapid expansion. The level of growth that bases are projected to experience has not been seen since WWII, with some states expecting to gain tens of thousands of new residents. While states and military communities welcome the opportunities generated by mission growth, they also face many challenges.

In response to this growth, the National Governors Association, Center for Best Practices (NGA Center) is convening a Working Group on Mission Growth whose members consist of states that are heavily impacted by mission growth. The member states include Alabama, Colorado, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Maryland, Missouri, New Mexico, New York, North Carolina, Ohio, Oklahoma, Texas, and Virginia. Many of these states have identified the education of students of military families as one of their top challenges.

Students of military families face an array of unique challenges when transferring to a new school. These include varying graduation requirements, teacher shortages, and the emotional toll of being in new surroundings. However, this background paper focuses on school construction, renovation, and modernization, given the universal barriers and shortage of resources and time to remediate these concerns.

Regrettably, several states have identified the federal response to help states, communities, and military students cope with the demands of mission growth as inadequate.

II. The Scope

Over the next three to five years, states will experience varying increases in military personnel and government civilians as a result of mission growth. In many states, these increases are unprecedented. For example, according to the Government Accountability Office (GAO), Fort Bliss, Texas and Fort Belvoir, Virginia are expected to grow by 27,000 and 25,600 military personnel respectively by the year 2012.ⁱⁱ

As military personnel and government civilians across the country move to their new duty stations, often do their families. Currently, estimates project that over 75,000 children of military personnel will attend new schools as a result of BRAC.ⁱⁱⁱ However, this number is understated since it does not include other mission growth initiatives as well as potential increases in dependents of military contractors that may relocate to communities experiencing mission growth.

Depending on the military base, the number of incoming students can range anywhere from the single digits to several thousand. States and LEAs are working hard to estimate the resources needed to accommodate the incoming students. For example, communities surrounding Fort Bragg, North Carolina,

estimate that it will cost approximately \$300 million over the next five years to construct new schools for the more than 7,000 militarily dependent students anticipated to arrive by 2013.^{iv}

III. The Challenge

DoD is congressionally mandated to provide assistance to LEAs that experience growth and/or decline in enrollment of military students as a result of BRAC. However, in the legislation, Congress did not recognize the crucial role that states play in educating students. In light of the fact that public schools educate more than 80 percent of military students, the massive realignment of military personnel and their families will place substantial strain on states and communities.

In many LEAs impacted by mission growth, the current school infrastructure is simply unable to support the arrival of hundreds, if not thousands, of military students in a short period of time. In those cases, it is necessary to prepare classroom space in advance of the students' arrival. However, communities must construct additional classrooms in increasingly tight fiscal circumstances and significant funding gaps. First, the expected tax base from mission growth has not yet expanded. Second, housing market corrections are reducing the current tax base of some communities. Third, the bond market has tightened, making it more difficult and costly to obtain a school construction bond. Fourth, the cost to purchase land has risen substantially. And fifth, at present, inadequate federal resources exist to offset new state and local education costs created as a direct result of federal activity. Given these factors, most states and communities lack the resources to fund school construction projects in such a short timeframe.

DoD in its March 2008 [report](#), *Update to the Report on Assistance to Local Educational Agencies for Defense Dependents Education*, detailed the efforts undertaken by numerous federal agencies to respond to the needs of LEAs. However, as the report shows, the federal response to the needs of states and LEAs affected by mission growth is largely uncoordinated, nonspecific, and inadequate, particularly in the critical area of school construction and renovation. As the report acknowledges, "federal grant funds are currently not available for the construction of new schools in growth communities... [and] LEAs are nearing a critical point where local students, military and civilian, alike, may be placed in less-than-ideal facilities as the military migration occurs." The report goes on to state that "some ability to flexibly apply federal resources in new and innovative ways ought to be considered and encouraged in those emergent cases where state, local, and public-private resources are not sufficient."

The Government Accountability Office (GAO) in June 2008 released a [report](#) to Congress titled *Defense Infrastructure: High-Level Leadership Needed to Help Communities Address Challenges Caused by DOD-Related Growth*. In it, GAO investigated whether the federal government has provided necessary information and adequate support to communities impacted by military growth as they attempt to address their future infrastructure needs.

GAO noted in the report that many communities have identified school capacity and infrastructure as a chief concern. The GAO found that there are no "federal programs specifically designed to assist communities impacted by DoD growth." More specifically, the GAO report focused on two crucial problems surrounding the accuracy of information provided to states and communities. According to GAO, both of these issues derive from a lack of high-level leadership within the DoD to coordinate an effective interagency response to assist militarily impacted communities.

Each military branch is required by DoD directive 5410.12 to develop guidance that would provide detailed planning information to stakeholders impacted by military growth. However, GAO found that none of the services has acted on the directive.

According to the GAO, the failure of the military branches to act on this directive has caused military movement data provided to communities by the military services to vary widely not only between services but sometimes within services, depending on who is providing the information. Identifying reliable estimates for the increase in military personnel is difficult due to the evolving nature of the Army’s approach and different interpretations of its plans.^v Although the Army has set up a centralized Army Stationing and Installation Plan database, many officials at gaining military installations have not agreed with the personnel numbers listed on the database.^{vi} The chart below from the September 2007 GAO [report](#) titled *Defense Infrastructure: Challenges Increase Risks for Providing Timely Infrastructure Support for Army Installations Expecting Substantial Personnel Growth* demonstrates the inconsistency of personnel data provided by the military to a sample of defense communities.

Table 3: Comparison of Army Headquarters and Installation Expected Personnel Restationing Numbers at Selected Installations for Fiscal Years 2006 through 2011 (as of March 2007)

Installation	Personnel category	Expected personnel restationing numbers		
		Headquarters	Installation	Difference
Fort Benning, GA	Military	1,127	3,846	2,719
	Student	5,347	8,757	3,410
Fort Bliss, TX	Military	19,468	20,979	1,511
Fort Carson, CO	Military	5,394	5,209	(185)
Fort Lee, VA	Military	1,065	1,717	652
	Student	4,444	6,494	2,050
Fort Riley, KS	Military	7,907	8,490	583
Fort Sill, OK	Military	2,235	2,761	526
	Student	1,754	4,357	2,603

Source: GAO analysis of Army data.

* The above information was calculated by GAO and is current as of March 2007. It may not be reflective of the most current available information.

As the GAO stated in its June 2008 report, “until the military departments begin to disseminate consistent and more detailed information about planned defense personnel moves, it will be difficult for community, state, and federal officials to effectively plan for and provide necessary infrastructure to accommodate DOD personnel and their families relocating to growth impacted communities.”

GAO also identified several issues with the 22-agency Economic Adjustment Committee (EAC). This agency, chaired by the Secretary of Defense, was created by executive order to identify problems of states, regions, and communities affected by defense related activities and to serve as a clearinghouse to disseminate accurate information to stakeholders. As noted by the GAO, the EAC is required by executive order to provide priority technical and financial assistance to states and communities to mitigate the impacts of mission growth.

In their examination of the EAC, GAO found that it had not meet since 2006 and the workings of the EAC have been left to the DoD Office of Economic Adjustment (OEA), which is a field office of DoD that does not have the power or resources to effectively coordinate the numerous agencies of the federal government on the EAC. Consequently, the EAC has not leveraged the full resources of the member agencies to fulfill its mission of providing a host of crucial information, including student numbers and federal resources, to militarily impacted communities.

During the GAO review, the Department of Education, which is responsible for distributing Impact Aid to federally impacted states and communities, expressed frustration with the Army’s inconsistent and incomplete information on militarily connected student numbers. To address this issue, in June 2008

representatives for DoD and the Department of Education signed a [Memorandum of Understanding](#) (MOU) establishing a framework for collaboration between the two agencies to address the unique challenges faced by children of military families.

The MOU provides a series of objectives and responsibilities shared by the agencies to assist states and communities as they prepare for projected increases in military-dependent students. The MOU defines, in general terms, the areas on which the departments will work together to strengthen and expand efforts to ease student transitions, including quality of education; student transition and deployment; data; and communication and outreach as well as resources. The MOU also creates a working group composed of members from the two departments who will work to implement the MOU as well as issue semiannual reports on their progress.

Children of military families transfer schools an average of six to nine times in their lives, placing strain on both parents and children. The process of transitioning as well as having parents deployed is difficult and exacerbated when military parents and children have to worry about arriving at their new community to an overcrowded school facility. Governors and local communities are committed to serving military families and, as noted by the June 2008 GAO report, are stepping-up to the plate to ensure that military children receive a consistent, quality public education.

To date, the federal government has not established a comprehensive and systematic process to assist states and LEAs impacted by military mission growth.

IV. State and Federal Funding Sources

A. Traditional School Funding

The following information is provided to establish baseline information for how states and LEAs typically finance public education as well as the costs associated with educating students and constructing new schools. Currently, the average national expenditure to educate each student in public elementary and secondary schools is approximately \$9,000 per year.^{vii} In 2007, the average nationwide cost to build an elementary school was \$10.8 million, which translates to an average cost per pupil of \$21,176. High schools, on average, cost \$25 million to build, or \$23,873 per student.^{viii}

In a typical community, school funding comes from three sources: (1) the taxation on the property of private individuals; (2) the taxation of real or personal property used for business purposes; and (3) state funds. While totals vary from state to state and community to community, generally 50 percent of funds come from the state while 50 percent come from local taxes, half of which come from private property and half from business property. According to the 2007 report on state expenditures from the National Association of State Budget Officers (NASBO), elementary and secondary education is the second largest spending category of a state budget, on average composing 20.9 percent of total state spending.

To finance school construction, renovation, and repair projects, school districts may issue bonds to raise needed funds. In order to issue a bond, a school district usually must first submit the proposal to a community referendum. If passed, traditionally, states and local school districts issue bonds and the Internal Revenue Code exempts the bondholders from paying federal taxes on the interest they earn. Many investors consider this an incentive to purchase the bonds; therefore, school districts can sell these bonds at lower interest rates than standard corporate bonds. This tax-code provision allows the district to save approximately 20 percent of the interest costs on the bond. However, the district must pay the principal and the interest over the life of the bond.

B. Federal Programs

The DoD report *Update to the Report on Assistance to Local Educational Agencies for Defense Dependents Education* details federal programs that can be used to assist LEAs defray educational costs associated with mission growth. An overview of those programs is provided below.

1. Impact Aid

Impact Aid programs are administered by both the U.S. Department of Education and the U.S. Department of Defense.

U.S. Department of Education Impact Aid

Impact Aid is a federal program created in 1950 that provides funding for a portion of the educational costs of federally connected students. It serves approximately 1,400 school districts and more than 1.2 million students, of which more than 500,000 are militarily connected. Impact Aid is authorized in Title VIII of the Elementary and Secondary Education Act of 1965 and is funded through the Labor, Health and Human Services, and Education Appropriations Act.

Given that states and communities cannot tax federal property, Impact Aid represents the federal government paying the equivalent of its “tax bill” to local school districts for the presence of a military installation or other federal property. Impact Aid is the only federal education program where the funds are sent directly to the school district. The funds go to the school district’s general fund and can be used for whatever educational purposes the district deems necessary.

There are various components of Impact Aid, but its largest component is Section 8003, basic support payments for federally connected children. This section was funded at \$1.154 billion in fiscal year (FY) 2008. To be eligible for Section 8003 of the Impact Aid Program, a school district must:

- have at least 400 federal students in their Average Daily Attendance (ADA); OR
- at least 3 percent of all children in the school district’s ADA must be federally connected.

Because different types of federal students have a different financial impact on the school district, Section 8003 assigns each type of federal student a weight known as a “Weighted Federal Student Unit” (WFSU). The higher the weight, the higher the impact these students have on the school district. The highest militarily connected WFSU of 1.00 is given to children of active duty service members who live on a military installation in property that is not subject to school property taxes but attend school off base. Funds also are distributed to federally connected students living off base, but at .20 WFSUs, or only 20 percent of the amount for on-base children.

Impact Aid payments are computed using a formula based on the listed weights. To calculate the maximum basic support payment a school district could receive, the district’s Local Contribution Rate (LCR)—which is normally either half of the state or national average per pupil expenditure for public education, whichever is higher—is multiplied by the total number of WFSUs. This is the payment an LEA would receive if the Impact Aid program was fully funded, which would equal about \$3,500 per student living on base in FY 2008. However, because Impact Aid is not fully funded, districts must use a prorated calculation that directs more Impact Aid funds to districts with higher percentages of federally connected students. This calculation varies the amount of per-pupil funding districts receive, but in FY 2008 the average per pupil Impact Aid for students living on base was \$2,400 while the average for students living off base was \$450.

There are two other noteworthy components of Impact Aid. First is Section 8007 (a) construction payments, which districts may use for any type of school construction. To qualify for 8007 (a) grants, an LEA must have 50 percent of the total student enrollment come from federally connected students. Section 8007 (b) grants are for emergency repairs and modernization of school facilities. To receive 8007 (b) grants, the number of federally connected students served by an LEA must be 40 percent. Modernization grants also are authorized. However, to date, federal appropriation levels have been insufficient to address modernization grant applications, and there are generally more requests for grants than available resources. Thus, only emergency repairs receive funding as the first priority.

Total funding for these components of Impact Aid was \$17.5 million for FY 2008, with 8007 (a) receiving 40 percent of the funds and 8007 (b) receiving 60 percent.

Challenges:

- DoD states in its report on federal assistance to LEAs that Impact Aid has been funded at the 60 percent level since 1970 and “the value of [Impact Aid] has diminished with successive continuing resolutions to the point where current assistance is marginal considering the need.”
- DoD also in its report concludes that “[Impact Aid] lags behind the arrival of the federal student by up to two years.”
- While Impact Aid can be used for construction, the assistance to LEAs is generally not substantial enough to cover anything but operational costs.
- In the case of payments for students who are federally connected but live off base, economic studies authorized by Congress verified that a WFSU of .50 is a more accurate rate of funding than the current rate of .20 for the off-base military child, which is only two-tenths of the on-base military child rate. This is of particular concern given that many transitioning families are choosing to live off base.
- The threshold for assistance from Impact Aid is high and is not consistent throughout the law.
- The Impact Aid program is used for all federally connected students, and only about 40 percent of funds are used specifically for military students.
- This program does not provide any assistance or support to states.

U.S. Department of Defense Supplement to Impact Aid

In 1991, Congress began supplementing “heavily-impacted” LEAs through the DoD authorization and appropriations bills in two programs called “Assistance to Schools with Significant Numbers of Military Dependent Students” (known as DoD Supplemental Impact Aid) and “Impact Aid for Children with Severe Disabilities.” These programs provide financial assistance to LEAs that are heavily impacted by the presence of military or DoD civilian dependent students.

To be eligible, a LEA must have at least 20 percent of its enrollment be military dependent students as counted on their Federal Impact Aid application for the preceding year. Each year, DoD and the Department of Education automatically calculate and disperse the funding reward to eligible districts. In 2007, 117 LEAs received funding under this program. Funding for Supplemental Impact Aid in FY 2008 was \$30 million.

In 1996, Congress added “Assistance to Schools with Enrollment Changes Due to Base Closure, Force Structure Changes, or Force Relocation” (known as “Impact Aid for Large Scale Rebasing”) to assist communities in making adjustments resulting from changes in the size or location of the Armed Forces.

To qualify for aid under large scale rebasing, the LEA must:

- qualify for traditional DoD Supplemental Impact Aid; and

- the number of dependent military children must have increased or decreased by 250 or by 5 percent over the preceding year.

Funds are distributed under the large-scale rebasing section by dividing the number of eligible increased or decreased students by the appropriation amount; however, no LEA can receive more than \$1 million per year. In FY 2008, no funds were appropriated for this section. The authorized level is \$10 million.

The funds dispersed under the DoD Supplemental Impact Aid program are dispersed to a LEA's general fund and can be used for whatever educational purposes the LEA deems necessary.

Challenges:

- As with traditional Impact Aid, DoD supplemental aid funds are generally not substantial enough to cover construction costs.
- The overall authorization level is not based on projected needs and the large-scale rebasing program was not funded in FY 2008.
- This program, like traditional Impact Aid, does not provide funding to LEAs in advance of the arrival of students.
- This program also requires LEAs to meet a high threshold to qualify for assistance.
- This program does not provide any assistance to states in need of assistance.

2. Qualified Zone Academy Bonds

Congress first provided authority to issue Qualified Zone Academy Bonds (QZABs) under Section 226 of the Taxpayer Relief Act of 1997. QZABs are bonds issued by state or local governments to renovate and improve eligible public schools. The federal government subsidizes the bonds by providing tax credits to a bank or other financial institution that holds the QZAB. The credits are approximately equal to the interest that states and communities would pay the holders of taxable bonds. Therefore, issuers are generally responsible for repayment of the principal only. This enables schools to save up to 50 percent of the costs of a construction project. This is a tax credit program, not a grant program.

Allowable uses of QZABs include renovation and repair of school buildings, purchasing equipment, developing curricula, and/or training school personnel, but QZABs cannot be used for new construction.

To be eligible, a school must be located in either an empowerment zone or an enterprise community or there must be a reasonable expectation that at least 35 percent of students will be eligible for free or reduced-cost lunches under the National School Lunch Act. Eligible schools also must have an educational program developed in cooperation with a private organization and receive a contribution from that private entity worth at least 10 percent of the money borrowed using the QZAB.

Each state is allotted an amount of money based on state percentages of the national population of individuals with incomes below the poverty line. States manage the allocation of awarded QZAB funds and must use their allocated funds within two years.

When first introduced, states were hesitant to use QZAB funds and in fact, only 15 percent of allocated funds were used in the first two years of the program. However, now states use more than 82 percent of allocated funds.

In 2007, Congress passed the "Temporary Tax Relief Act of 2007," which extended the QZAB program at \$400 million for one year through 2008. Since the program's inception in 1997, it has been funded consistently at \$400 million per year.

Challenges:

- The QZAB program is not designed specifically to assist states or LEAs impacted by mission growth.
- Not all LEAs impacted by mission growth will qualify for this program, given the poverty threshold for eligibility.
- New construction is not allowed under this program.
- The maximum amount of QZABs available to states each year is small considering the need. For example, in 2004, North Carolina was able to bond \$12.75 million in QZABs. However, as discussed earlier, LEAs surrounding Fort Bragg in North Carolina will need about \$300 million over the next five years for school construction resulting from mission growth.

3. Qualified Public Education Facilities Bonds

The Qualified Public Educational Facilities Bond Program (QPEF) first became available in 2002 as a result of the “Economic Growth and Tax Relief Reconciliation Act of 2001.” The act allows private companies to use the proceeds of a tax-exempt bond to build and repair schools, then lease those facilities to school districts. At the end of the lease, which coincides with the life of the bonds, the facility automatically becomes the property of the school system for no additional charge. Each state is authorized to annually issue up to \$10 per capita of state residents or \$5 million, whichever is greater, under the program. The bonds are issued outside the state’s private activity bond volume cap.

The idea behind this program is that by using a private entity, which should have large-scale construction experience, to construct a school, the LEA saves time and money. Additionally, the LEA does not have to enter into a bond referendum. However, as part of this arrangement, the private entity, in an effort to recoup costs, can bring in extra revenue by renting part of the facility during off-school hours for other activities such as daycare or evening classes.

States, LEAs, and private investors voiced substantial concerns regarding several technical aspects of the QPEF program, which led the program to be underutilized. A task force to study alternative means of school financing from the State of Maryland reported on QPEF bonds that “public entities appear to be hesitant to enter into an agreement with a private developer that may conflict with state procurement laws requiring sealed bids, and the private sector is uncertain of the tax advantages they will gain from the program.” Although the U.S. Treasury Department does not track these bonds, a 2003 report in *The Bond Buyer* indicated that only 10 QPEF bonds had actually been sold since the program’s inception.

Challenges:

- This program is not specifically designed to assist states or LEAs impacted by mission growth.
- The maximum amount of QPEFs available to states each year is small considering the need. Virginia, for example, would only be able to issue about \$70 million worth of these bonds per year. In 2006–2007 five new high schools were built in Virginia at an average total cost of about \$40.5 million each or \$32,382 per pupil. Virginia also built 16 new elementary schools in 2006–2007 at an average cost of about \$16.3 million, or \$18,963 per pupil.
- The private sector is uncertain of the tax advantages they will gain from the program. Because the program requires that ownership of the school facility revert to the school district at the end of construction, it is unclear whether the private developer would be considered the owner and could deduct the depreciation of the facility’s value. If the lost depreciation were corrected through an increase in the lease payment paid by the public owner, the incentive of the school district to enter into the arrangement may be undermined.

- Concerns have been raised by the U.S. Treasury Department that non-school-related facilities would be constructed in addition to, or in place of, certain school facilities (e.g. auditoriums used as movie theaters).
- There also are concerns that if the leaseholder is required to maintain the building, in the final years of the lease they may reduce costly maintenance in favor of less expensive repairs, and building quality would deteriorate as a consequence.

4. Emergency School Funding for Hurricanes Katrina and Rita

In December 2005, Congress passed the Hurricane Education Recovery Act. The legislation authorized a new grant program to assist states and LEAs in meeting the temporary educational needs of students displaced by Hurricanes Katrina and Rita. While this legislation is not discussed in the DoD report, it can be used as a historical precedent and example of action taken by the federal government to assist states and LEAs impacted by sudden and large scale shifts in student enrollment.

The Act helped states and schools offset costs associated with educating dislocated students until either the students returned home or their families became state and local taxpayers. States and districts used funds dispersed under this program to offset a variety of operating and capital costs, including the purchase of temporary classrooms, hiring of additional teachers, and purchase of school supplies, among other expenses.

Under the Emergency Impact Aid for Displaced Students program, the U.S. Department of Education awarded roughly \$880 million in emergency impact aid funding to state educational agencies (SEAs). States were the designated fiscal agents and coordinated the disbursement of funds to schools in need. States were authorized to receive a maximum of \$6,000 per regular education student and \$7,500 per special education student, based on the national average per-pupil expenditure at that time. SEAs, in turn, sub-granted these funds to LEAs for the cost of educating students. In total, roughly 150,000 students were displaced by Hurricanes Katrina and Rita, and educated across 49 states during the 2005–2006 school year.

V. Conclusion

States and communities are supportive of our nation's military and are preparing for mission growth. To successfully accommodate the mission growth currently underway, there must be a strong partnership between the federal government, states, and schools to address the clear and demonstrated need to provide a quality education to the children of our military parents and DoD civilian employees. At present, there is limited federal financial support provided to states and localities to cover the vast and diverse needs resulting from the federal government's mission growth. While states and communities will certainly benefit and grow economically after the population moves to their area, clear federal data and financial support is needed before the arrival of new militarily connected students to help build or ensure the requisite school infrastructure.

In the wake of Hurricanes Katrina and Rita, the federal government provided more than \$800 million in just one year to temporarily assist states and schools that took on the task of educating the massive displacement of students who relocated from the gulf coast. The situation facing many of our states and military communities being impacted by mission growth is of comparable magnitude in terms of relocated students and costs associated with their education. In contrast, in FY 2008, DoD provided \$30 million for its grant program to educate students of military families.

Ultimately, as stated in the DoD report to Congress, the education of military dependent students is a vital national security issue. A high-level, coordinated federal-state-local partnership is necessary to address the educational needs of our nation's militarily connected students.

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ⁱ Del Stover, "Moving In Moving Out," *American School*, May 2008, 18.

ⁱⁱ June 2008 GAO report GAO-08-665

ⁱⁱⁱ Del Stover, "Moving In Moving Out," *American School*, May 2008, 18.

^{iv} Fort Bragg BRAC Regional Task Force (RTF), "Summary for Policy Makers."

^v GAO September 2007 Report, GAO-07-1007.

^{vi} GAO September 2007 Report, GAO-07-1007 and June 2008 GAO report GAO-08-665

^{vii} National Center for Education Statistics (NCES), <http://nces.ed.gov/fastfacts/display.asp?id=66>

^{viii} American School and University, *Education Construction Report*, May 2008.

<http://asumag.com/Construction/34thEducationConstructionReport.pdf>