



**STATEMENT OF**

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**BEFORE THE  
COMMITTEE ON WAYS AND MEANS**

**U.S. HOUSE OF REPRESENTATIVES**

**CHALLENGES FOR STATE AND LOCAL GOVERNMENTS:  
SCHOOL INFRASTRUCTURE**

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Chairman Rangel and Members of the Committee:

Thank you for the opportunity to speak with you today about the infrastructure challenges facing our nation's schools, and the critical link between infrastructure investments and economic stimulus.

My name is Dennis Van Roekel and I am honored to be here today as the new President of the National Education Association, representing the views of 3.2 million educators working tirelessly every day in public schools across the country to ensure every student the opportunity to excel.

Today, I would like to focus on the impact of the economic crisis on schools and the students they serve, the significant infrastructure needs facing our nation's public schools, and the real impact investments in school construction can have on local economies.

### **Impact of the Economic Crisis on Schools**

As many as 27 states are predicting deficits for FY09 of at least \$25 billion. As a result, a growing number of states have made or are considering harmful cuts in education and other vital services. Some states have already been forced to layoff school staff. For example, Detroit has laid off 700 teachers; Los Angeles has laid off 500 administrators; and Miami-Dade County has laid off hundreds of school psychologists, maintenance workers, and custodians. Rising fuel costs are forcing school districts to take drastic measures, including trimming or eliminating bus service, cutting all field trips, and shortening the school week.

The economic crisis is not only threatening education funding, but is impacting the daily lives of our students and their families:

- With the frightening rise in mortgage foreclosures, schools are seeing record numbers of students who are homeless or poor enough to qualify for free school meals.
- Many districts are being forced to raise prices for school meals due to escalating food costs. Schools report a steady stream of anxious parents, often in tears, pleading for free meals for their children because they do not have 70 cents a day for reduced price meals.
- Schools also report record numbers of students needing donated backpacks and school supplies, because their families cannot afford to buy them.

Clearly, Congress needs to take immediate action to help alleviate the pressure on state budgets and working families. We have urged Congress to pass a stimulus package with state fiscal relief, a temporary increase in the federal Medicaid match, extensions of unemployment benefits, and increases in nutrition assistance.

### **School Infrastructure Needs**

Our nation's public schools are in desperate need of repair and renovation. Across the country, children go to school in overcrowded buildings with leaky roofs, faulty electrical systems, and outdated technology. Some schools hold classes in "temporary" trailers, converted closets, and

hallways. In 2003, the Modular Building Institute estimated that more than 220,000 portable classrooms were in use by public school systems in the United States. Too many students attend schools that lack the basic electrical and telecommunications equipment necessary for connection to the Internet or the use of new education technologies. In 2005, the American Society of Civil Engineers gave public school infrastructure a grade of "D."

This is not a new problem. NEA has been working on the school modernization issue for over a decade. And, the problem has only been exacerbated since Congress first looked at the issue in the 1990s.

The demands of today's educational programs and services are overwhelming the structural capacity of the average school in America, built almost fifty years ago. According to a 1999 study completed by the National Center for Education Statistics (NCES), the average public school building in the United States was 42 years old. The mean age for schools in this study ranged from 46 years in the Northeast and central states to 37 years in the Southeast. About one-fourth (28 percent) of all public schools were built before 1950, and 45 percent of all public schools were built between 1950 and 1969. Seventeen percent of public schools were built between 1970 and 1984, and 10 percent were built after 1985.

Public K-12 schools throughout the nation need to spend an estimated \$17 billion a year just to maintain existing structures and grounds. And there is evidence that many schools are falling behind. According to an NCES survey in 1999, 76 percent of all schools reported that they had deferred maintenance of their buildings and needed additional funding to bring them up to standard. The total deferred maintenance exceeded \$100 billion, an estimate in line with earlier findings by the Government Accounting Office (GAO). In New York City alone, officials have identified \$1.7 billion of deferred maintenance projects on 800 city school buildings. NEA's May 2000 report "Modernizing Our Schools: What Will It Cost?" estimated the nationwide cost of repairing, renovating, or building school facilities and installing modern educational technology at \$322 billion – nearly three times previous government estimates.

Historically, local tax revenues have been the dominant source of funds for building and renovating public school facilities, with support from state governments and small federal initiatives, combined, supplying less than a quarter of all facilities funds nationwide. Usually, state support has been based on a politically determined amount of available money – without regard to educational needs or construction costs – and the outcome of a political struggle over how to distribute that money among a state's school districts. As a result, the quality of school facilities varies dramatically, and often inequitably, based on differences between communities' local ability to pay and the balance of political power in the state.

Federal investment in school construction is critical to meeting infrastructure needs and, in particular, to reducing the disparity in overall school facility quality between low-income and high-income school districts. Schools in districts with a higher proportion of low-income children have less funding for new construction, renovations, and major maintenance and repairs than schools with more affluent student populations. According to the Economic Policy Institute (EPI), between 1995 and 2004, schools in districts with more than 75 percent of students eligible for free or reduced price lunch spent an average of \$4,800 per student on school construction. In

contrast, schools in districts where less than 10 percent of students qualified for free or reduced price lunch spent an average of \$9,361 per student on school construction.

### **Economic Impact of School Infrastructure Investments**

In a time of economic weakness, public investments in the nation's infrastructure can provide short-term stimulus and build the foundation for long-term economic growth. According to EPI, federal investments in infrastructure, including school buildings, are required to address critical needs, create jobs, and spur the economy. In short, investing in school infrastructure acts as a job creation program in the struggling construction industry – putting Americans to work building or repairing school facilities. This work puts money in the pockets of those workers immediately, and it can lead to higher productivity in the future.

According to EPI, investments for the purpose of short-term stimulus can emphasize repairs in which the work can start and be completed quickly. The economic activity and jobs directly created by this spending have a beneficial ripple effect as, for instance, construction firms purchase materials and employees spend their salaries. NEA's analysis suggests that using \$20 billion spread over a five-year period for maintenance and repair on school facilities would support 50,000 jobs per year.

In recent years, investments in school construction across the country have been shown to have a significant multiplier effect on local economies. For example:

- In July of this year, researchers at Rutgers University estimated the economic impacts of planned school construction projects in New Jersey for the next five years. Their findings: each \$1 million of spending on school construction will generate: 8.7 job years (one job-year is equal to one full-time job lasting one year); \$469,000 in income; more than \$13,000 and \$16,000 in state and local tax revenue, respectively; and \$611,000 in gross state product. Over the next five-years, the state expects to spend \$5.4 billion on school construction, which will generate almost 9,400 full-time jobs annually; \$2.5 billion in income; \$3.3 billion in GDP; \$369 million in federal tax revenues; \$72 million in state tax revenues; and \$87 million in local tax revenues. This includes both the direct economic effects and the indirect (multiplier) effects of the subsequent economic activity.
- In the last two statewide bond cycles in California, \$10 billion in school construction expenditures created more than 175,000 jobs and generated twice the economic activity (\$20 billion) as the initial investment.
- According to a 2007 analysis by West Virginia University, the School Building Authority of West Virginia spent more than \$500 million on school construction projects between 2003 and 2007. The result – \$1.09 billion in business volume, 9,620 job-years (an average of 1,924 jobs each year), \$281 million in employee compensation, and \$16 million in state tax revenues.
- A study of the economic impact of Boston's eight research universities determined that the "multiplier effect" of the eight universities' spending within the region on payroll,

purchasing, and construction generated an additional \$3.9 billion in regional economic output, \$1.6 billion in wages, and more than 37,000 full-time-equivalent jobs in 2000.

- A report released last year determined that 20 universities in middle Tennessee directly injected \$249 million in construction and equipment-related expenditures in 2005 in the middle Tennessee region. Taking into account indirect and induced impacts, the capital expenditures of the 20 universities generated a total of \$456 million in business revenue, \$183 million in personal income, 4,722 jobs, and \$13.6 million in state and local taxes.

In addition to job creation, investment in school infrastructure has been shown to have a direct and positive impact on residential property values. New or well-maintained school facilities can help revitalize distressed neighborhoods. School quality helps determine localities' quality of life and can affect the ability of an area to attract businesses and workers. For example, in Oklahoma City, the renovation and reopening of Cleveland Elementary School increased property values by 30 to 100 percent.

### **Impact of School Infrastructure Investments on Student Learning**

In addition to stimulating local economies, it is clear that school modernization enhances student learning in many ways. For example, it:

- Addresses concerns for overcrowding.
- Allows educators to plan an environment that is more conducive to curriculum integration, engaged learning, and technology integration.
- Builds the infrastructure to support and meet the demands of modern technology.
- Addresses safety and environmental concerns brought about from aging structures which used unsafe materials, such as asbestos.
- Improves student and staff morale by establishing learning communities instead of isolated classrooms in a long hallway.
- Enhances the inclusion of new cutting edge technology.
- Adds to property values, thereby improving the community.
- Enhances the school as a community center.
- Improves the offering of extracurricular activities for students, giving them a constructive avenue for learning through teaming and physical accomplishments.
- Improves the environment for offering after-school learning activities to meet the needs of the community, such as tutoring services, clubs, etc.

There is a growing body of research linking the condition of a school's facilities to student achievement, as well as to several important antecedents of school success:

- A recent study (*The Walls Speak: The Interplay of Quality Facilities, School Climate, and Student Achievement, 2006*) found a positive correlation between a school facility's condition, school climate, and student achievement.
- The General Accounting Office reports (*School Facilities: Condition of America's Schools, 1995*) that at least 15,000 thousand schools suffer from poor air quality, affecting more than 8 million children. In 2000, the EPA (*Indoor Air Quality and Student Performance*) referred to the symptoms observed in these schools as the "sick building syndrome."
- A recent study of teachers conducted right here in Washington, D.C. (*Fix It and They Might Stay: School Facility Quality and Teacher Retention in Washington, D.C. 2005*) found that the school facility has an equal or greater impact on teacher retention as does pay and parental involvement.
- There are also numerous examples of schools throughout that country (*Smaller, Safer, Saner Successful Schools, 2007*) that have benefited from downsizing to smaller schools, either by constructing free-standing smaller buildings or converting large buildings into functioning schools-within-schools. Where small school initiatives have been underway, tremendous improvements have been noted in student discipline and safety, as well as in the overall climate.

### **School Modernization and "Green Schools"**

Modernizing our nation's schools is also critical to ensure students and educators a healthy environment. Twenty percent of the American population spends their days in school buildings, and one quarter of these students and school staff attend schools that are considered substandard or dangerous to occupant health.

Every child and school staff person has the right to a school with healthy air to breath and conditions that foster learning. "Green schools" create a safe and healthy environment that is conducive to teaching and learning while saving energy, resources, and money.

Through long-term and careful planning with students, teachers, administrators, and members of all community constituencies, high quality, community-centered educational environments:

- Promote a sense of safety and security
- Build connections between members of the school and the community
- Instill a sense of pride
- Engage students in learning
- Encourage strong parental involvement
- Foster environmental stewardship.

Studies demonstrate that green schools directly benefit student health and performance. These studies show that:

- Daylight improves performance

- Good indoor air quality improves health
- Acoustics increase learning potential
- Mold prevention decreases asthma incidences (asthma is the number one cause of school absenteeism due to a chronic illness)
- Comfortable indoor temperatures increase occupant satisfaction.

If all new school construction and renovation used the “green” approach starting today, energy savings alone would total \$20 billion over the next 10 years. On average, green buildings expect an 11 percent decrease in operating costs, a 6 percent increase in building value, and a 14 percent decrease in energy use. New green schools can expect to save 20-40 percent in annual utility costs; while renovated green schools will save 20-30 percent.

Perhaps most importantly, student achievement is greater in above-standard buildings compared to below-standard buildings. For example, students taught in classrooms with daylight produce higher test scores than those in classrooms with no direct daylight.

### **Conclusion**

Investment in school infrastructure provides a win-win scenario – it improves teaching and learning environments, helps maximize student achievement, and creates jobs that help stimulate local economies while putting more money into the hands of working families. A short-term investment in school repair can have a long-term impact on our nation’s economic well-being. We urge Congress to invest in school infrastructure as part of any stimulus package.

Thank you for the opportunity to speak with you today.