Submission Date: Feb 15, 2008 **Priority:** 1 **of** 1

Ted Stevens

United States Senator for Alaska

Please Note:
- Fill out one request form for each request
- This form (and any attachments) can be returned via:
  - Fax - (202) 224-2354
  - Mail - The Honorable Ted Stevens, United States Senate, 522 Hart Senate Office Bldg., Washington, D.C. 20510
- **Requests are due by February 15, 2008.**

FISCAL YEAR 2009 PROJECT REQUEST FORM

Project Name: Galena City School District

Project Location: Galena, AK

Project Description (please attach additional pages as required):

Galena's boarding school operations provide a safe and educationally enriching environment for 120 students, many of whom are Native Alaskans from outlying villages where, in some instances, they may be exposed to a physically and emotionally challenging village environment. The boarding school has grown from 70 students several years ago to 120 today. The demand for more student space continues. Galena anticipates that the boarding school may reach over 300 students within the next four years. Due to a 2001 Department of Education formula change, Galena has lost $1 million annually in Federal Impact Aid Funding (see detailed explanation attached). Galena requests funds to continue the boarding school operation.

Related Appropriations Bill: Labor HHS/Fund for the Improvement of ED

Amount of federal funding requested for FY09: $500,000

Total funding to complete this project: $500,000

Number of years to fund this project: 1

Matching funds from the State of Alaska: 0

Matching funds from local and private entities:

If this project was funded in prior appropriations bills (within the last five years), list each bill and the amount funded:

$487,000 in FY08 Omnibus Appropriations Act (HR2764) to continue the boarding school operation.
$500,000 in FY05 Consolidated Appropriations Act (HR4818) to continue the boarding school operation.

Amount included in the President's FY09 Budget: 0

Amount included in the State of Alaska FY09 Budget: 0=Gov.Prop.Budgt

☐ Check this box if state funding was sought but not provided.

List legislation that authorizes this project:

Check all that apply:

☐ A change in the current law is necessary in order to proceed with the project. (If so, attach language and a list of laws that need to be amended)

☐ Bill or report language is needed. (If so, attach requested language)

The national significance of the Galena boarding school is that it provides a safe and educationally enriching environment for Native Alaskan children.

The Galena School District (GSD), by virtue of a 2001 Department of Education formula change, has lost approximately $1 million annually in Federal Impact Aid funding (Section 8003(b)(3)(B) of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 7703(b)(3)(B)]). This Federal Impact Aid is used to fund the Galena School District's boarding school costs for approximately 120 Alaska Native children. To date efforts to correct this DOE formula change through federal legislation have failed. The Federal Impact Aid program is, among other things, intended to provide federal funding to local districts for students who live on Indian land and federal lands. Generally, because such land is not subject to local property taxation, the Impact Aid program makes up for the loss of tax revenue which the local district might otherwise collect. 'Interior Distance Education of Alaska' (IDEA) is Galena's state-wide home schooling program. Because IDEA home school students do not attend school in Galena and live elsewhere in Alaska, Galena lacks the legal authority to tax property which is located elsewhere in the state. As a result of its 2001 decision, DOE now requires that the 3,600 IDEA home school students must be calculated in the formula for the purpose of determining the Impact Aid payments. Inclusion of these 3,600 students results in GSD eligible student count being reduced from 80 percent to 10 percent, resulting in a $1 million annual Federal Impact Aid loss to Galena.

Galena received $721,128 from the State of Alaska (FY08). While the FY09 State budget is not finalized, Galena expects to receive $901,410 based upon the state law regarding formula funding.