

**STATEMENT OF THE  
NATIONAL INDIAN EDUCATION ASSOCIATION  
ON THE  
PRESIDENT'S FISCAL YEAR 2004 BUDGET REQUEST  
BEFORE THE  
SENATE COMMITTEE on INDIAN AFFAIRS**

**Submitted By  
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Executive Director**

**February 26, 2003**

**T**he National Indian Education Association (NIEA) is the oldest and largest national organization representing the education concerns of over 3,000 American Indian, Alaska Native and Native Hawaiian educators, tribal leaders, school administrators, teachers, parents, and student members. NIEA would like to submit this statement on the President's Fiscal Year 2004 (FY2004) budget as it affects American Indian, Alaska Native and Native Hawaiian education.

The National Indian Education Association is very concerned about Federal funding for Indian Education programs in this period of great uncertainty for America. There are clearly many demands on the budget and the relative priority status of Education seems in some doubt as we review the President's budget proposal. Particularly troublesome is the proposed tax cut that seems designed to reduce the amount of discretionary funding for the foreseeable future, immediately following the imposition of many Federal mandates that affect all public education programs that receive Federal funding. The No Child Left Behind Act (NCLB) contains many promises and mandates. Most of these are expensive and without the requisite funding to support them, the new education law risks falling short of its intended goal. Unfortunately, the President's FY2004 budget request for education is not consistent with the amounts authorized in the bipartisan legislation.

**U.S. DEPARTMENT OF EDUCATION**

Overall, there is a 5.6% increase over the FY 2003 President's budget requested in the President's FY2004 Budget. Many of the Department of Education (DoEd) programs have an impact on Indian students attending both public and BIA funded schools. Through an

arrangement where the DoEd treats the BIA as a “51<sup>st</sup>” state, many programs are authorized with a percentage set-aside for the BIA. These flow through dollars now equal over 1/3 of the total budget for BIA school programs.

**Office of Indian Education - \$122,300,000 NIEA requested increase of \$7,035,000**

In FY 2002, this program received a significant increase. That amount was increased by an additional \$2 million in FY 2003 and remains constant in the FY 2004 budget request. NIEA supports this level of funding but recommends an additional \$7 million to cover funding for reauthorized programs that have yet to be funded. The following increases include: covering cost of living pay increases of \$400,000; \$1 million to re-invest in the American Indian Administrator’s Corps program; \$3 million fir Indian fellowships; \$1 million for tribal education departments; and \$1 million for adult education programs. The National Advisory Council on Indian Education (NACIE) funding level request is recommended at \$500,000.

<b>Department of Education, Office of Indian Education</b>		
	<b>FY04</b>	<b>FY04</b>
<b>PART A, Indian Education</b>	<b>PRES REQUEST</b>	<b>NIEA REQUEST</b>
<b>Subpart 1, Grants to Local Education Agencies</b>		
LEAs	\$97,133,000	\$97,133,000
<b>Subpart 2, Special Programs for Indian Children</b>		
Educational Services for Indian Children	\$11,000,000	\$11,000,000
American Indian Teacher Training <sup>1</sup>	\$9,000,000	\$9,000,000
American Indian Administrator Initiative	\$0	\$1,000,000
Peer Review	\$0	\$0
<b>Subpart 2, Subtotal</b>	<b>\$20,000,000</b>	<b>\$21,000,000</b>
<b>Subpart 3, National Activities</b>		
Statistics and Assessment	\$5,200,000	\$5,235,000
Indian Fellowships	\$0	\$3,000,000
Gifted and Talented Programs	\$0	\$0
Grants for Tribes for Education Admin/Plan/Dev	\$0	\$1,000,000
Adult Education	\$0	\$1,000,000
<b>Subpart 3, Subtotal</b>	<b>\$5,200,000</b>	<b>\$10,235,000</b>
<b>Subpart 4, Federal Administration</b>		
Office of Indian Education	(Gen. Admin)	(Gen. Admin)
National Advisory Council on Indian Education (Est)	(\$50,000)	\$500,000
<b>Subpart 4, Subtotal</b>	<b>\$0</b>	<b>\$500,000</b>
<b>Miscellaneous (recommended by NIEA)</b>		
Cost of Living Adjustment	\$0	\$400,000
<b>OFFICE OF INDIAN EDUCATION TOTAL</b>	<b>\$122,333,000</b>	<b>\$129,368,000</b>
<b>PART B</b>		
Education for Native Hawaiians	<b>\$18,300,000</b>	<b>\$18,300,000</b>
<b>PART C</b>		
Alaska Native Education	<b>\$14,200,000</b>	<b>\$14,200,000</b>

**Department of Education, Office of Indian Education (OIE) Program Detail**

• **Formula Grants to LEAs. FY04 Request - \$97.1 million, (FY03 Level, 97.1 million)**

The Department estimates that this funding assists 421,000 Indian students attending public and 42,000 students attending Bureau of Indian Affairs (BIA) schools for a total of 463,000 students.

• **Special Programs for Indian Children. FY04 Request - \$20 million (FY03 Level, \$20 million)**

***NIEA Requested Amount of \$21 million***

The \$1 million increase would allow the American Indian Administrators Corps to again receive funding. The Special Programs category includes the following authorizations:

- 1) Improvement of Educational Opportunities for Indian Children - \$11 million
- 2) Professional Development
- 3) American Indian Teacher Training - \$9,000,000
- 4) American Indian Administrator Initiative - ***Fund at \$1 million***

• **National Activities. FY04 Request - \$5.2 million, (FY03 Level, \$5.2 million)**

***NIEA Requested Amount of \$10.2 million.***

National Activities now includes former subpart 2 programs that are authorized but not funded. This request would provide for research to augment the Year 2000 National Center for Education Statistics (NCES) Schools and Staffing Survey (SASS) and other data collection efforts. NIEA supports funding this activity through the Department's statistical agency, the National Center for Educational Statistics. National Activities includes the following authorizations:

- 1) Statistics and Assessment - \$5.2 million
- 2) Fellowships for Indian Students - ***NIEA recommends \$3 million;***
- 3) Gifted and Talented Education
- 4) Grants to Tribes for Education Administration Planning and Development - ***NIEA recommends \$3 million.***
- 5) Adult Education - ***NIEA recommends \$1 million.*** This program was last funded in 1995 when it received \$5.4 million for 30 projects to carry out educational programs specifically for Indian adults.

• **Federal Administration. FY04 Request - Gen. Admin.**

***NIEA recommends funding the National Advisory Council on Indian Education (NACIE) at \$500,000 and cost of living adjustments at \$400,000.***

NACIE has been without an office in the U.S. Department of Education since 1996. The fifteen-member Presidential council is authorized under the 1972 Indian Education Act to advise the Congress and the Secretary of Education on the needs in Indian education. Given the recently approved consultation policy approved by Secretary Paige, reinstating the NACIE office would be appropriate.

• **Education for Native Hawaiians. FY04 Request - \$18.3 million, (FY03 Level, \$18.3 million in FY03)**

Programs under this authority include curriculum development, teacher training and recruitment, higher education, special education, community-based learning centers, family-based education and gifted and talented programs.

- **Alaska Native Education Equity. FY04 Request - \$14.2 million (FY03 Level, \$14.2 million in FY03)**  
Funding under this authority provide for student enrichment, preschool programs, teacher training and recruitment, and curriculum development.

### <sup>1</sup> **Need for American Indian Administrators Corps Funding**

The majority of schools serving large numbers of American Indian students are failing. The NCLB initiative has compelled schools to examine the conditions of need, identify strategies to improve student learning, and plan professional development approaches to prepare teachers and administrators for the increasing expectations and accountability for increased student achievement.

A handful of Indian educational leaders such as Dr. Stuart Tonemah, Dr. Grayson Noley, Dr. John Tippeconnic, Dr. William Demmert, Mark Sorensen, and Dr. Rick St. Germaine have, in the past several years, undertaken culturally appropriate programs of school administrator training. They have learned from cohorts of American Indian school administrators enrolled in their training programs that threats to school stability and reform take the form of increasing enrollments, shortages of teacher and administrator pools, dilapidated buildings, school security, evolving technologies, growing at-risk circumstances of students, and a host of other chronic challenges that complicate the already taxing responsibilities of the school leader.

What professional development focus is occurring in Indian Country is targeted for instructional staff. Indian school administrators are being left behind, in many cases, by their own decision-making. The NCLB movement in Indian education will not be met unless administrators of schools serving large numbers of American Indian students are also included in training milieu.

The phenomenal Indian school revolution that is going to be required to transform failing schools into student performance institutions under the NCLB initiative will require more effective and motivated school principals to actually launch the transformation effort in the schools. The Indian educational leaders above have learned this in several short years.

Our school administrators need specialized leadership training, motivation, and encouragement; mentoring and support in order to undertake the school improvement development required by NCLB. To focus training only on teacher improvement may be misguided and incomplete.

The School Leadership for the 21st Century Initiative, a comprehensive study of school leadership needs conducted by the Institute for Educational Leadership in the early 2000s, found that America's schools must promote individualized preparation programs for school administrators in a variety of quality and sustaining ways. The 2000 Study of the American School Superintendency by Glass, Bjork and Brunner (2000) found that lack of hands-on

application of training and failure to link content to practice has contributed to widespread school shortcomings.

The Report of the Task Force on the Principalship of the Institute for Educational Leadership (2000) has concluded that efforts must be taken to revamp principal preparation programs that focus on instructional, community and visionary leadership roles in improving student learning. Without stronger leaders focused on the sole purpose of student learning supported by leadership development programs, school change efforts will be embraced by teaching staff but not endorsed by school administrators. It is essential that school leaders be included in the professional development schemes of NCLB.

The Administration's plan to omit the school administrator training from their professional development program is short-sighted, misguided, and fails to account for the leadership element sorely needed to launch the comprehensive school improvement initiative called for in NCLB. NIEA strongly recommends that funding be directed back into the American Indian Administrators Corps in the FY2004 budget.

## **OTHER DEPARTMENT OF EDUCATION PROGRAMS BENEFITTING AMERICAN INDIANS INCLUDING THOSE ATTENDING BIA SCHOOLS**

*Amounts listed next to program are amounts expected to be received by BIA or non-BIA schools serving Indian students in FY2004. The FY2003 levels are based on the President's Request, which in some cases, is not the final appropriated amount.*

- **Title I. FY04 Request - \$12.4 billion, (FY03 Level, \$11.035 billion)**

*NIEA requested amount for Title I - \$18.5 billion*

*BIA Set-Aside Amount - \$85 million*

The Title I program is designed with the No Child Left Behind Act (NCLB) in mind. Higher accountability standards are an integral part of the new law and will include Indian students attending BIA Schools. BIA and outlying regions receive one percent of the Title I grants to LEAs. All 50,000 Indian students in the Bureau system will benefit from Title I services. The authorized amount in the NCLB is \$18.5 billion for FY 2004, \$6 billion more than the requested amount. BIA schools will receive \$85 million from this program at the request level. NIEA believes that the requested funding for this program is inadequate. NIEA supports funding at the authorized level of \$18.5 billion for this critical program.

- **Reading First State Grants. FY04 request - \$1.050 billion (FY03 Level, \$1 billion)**

*BIA Set-Aside Amount - \$5.3 million*

The Reading First State Grants Program is a new program established under the No Child Left Behind Act in FY2002. BIA receives 0.5 percent of the State Grants funding. The President's request for Reading First State Grants is over \$1 billion. The FY 2004 budget requests \$50 million more than the FY2003 budget. NIEA supports this request, and is in agreement that this is an important focal point for the early grades in school.

- **Early Reading First. FY04 request - \$100 million (FY03 Level, \$75 million)**  
***BIA Set-Aside Amount - \$5.3 million***  
The President requests an additional \$25 million for this important program begun in FY 2002. NIEA strongly supports this request, again with the understanding that much of academic success is determined early in the lives of children.
- **Comprehensive School Reform. FY04 Request - \$0 (FY03 Level, \$235 million)**  
***BIA Set-Aside Amount - \$0***  
The FY03 allocation of one percent was \$1.7 million for BIA schools. The Comprehensive School Reform program is recommended for zero funding in FY2004. The program funding for scientifically based research to help schools meet challenging state standards.
- **Event Start. FY04 Request - \$175 million (FY03 Level, \$200 million)**  
***BIA Set-Aside Amount - \$3 million.***  
The Department of Education is requesting a \$25 million for the Even Start program. The program incorporates early childhood education, adult literacy, parenting education, and parent/child literacy activities.
- **Literacy Through School Libraries. FY04 Request - \$27.5 million (FY03 Level, \$12.5 million)**  
***BIA/Outlying Area Set-Aside Amount - \$20,000 estimated***  
Literacy Through School Libraries is a new program under the No Child Left Behind Act and is requested at \$12.5 million. The program will help high-poverty school districts provide students with high-quality library services.
- **Improving Teacher Quality State Grants. FY04 Request - \$2.85 billion (FY03 Level, \$2.85 Billion)**  
***BIA Set-Aside Amount - \$14.2 million.***  
Funds are used to strengthen the skills and knowledge of teachers and administrators to enable them to improve student achievement, development, and retention. The program consolidates the former Eisenhower Professional Development and Class-Size Reduction programs. The BIA will receive 0.5 percent of the \$2.85 billion request.
- **Safe and Drug-Free School and Communities. FY04 Request - \$422 million (FY03 Level, \$472 million)**  
***BIA Set-Aside Amount - \$4.75 million.***  
BIA schools will receive one percent of the state grants funding under this program to create and maintain drug-free, safe, and orderly environments to drug and violence prevention. The FY2004 request is \$422 million and a \$4.75 million Indian set-aside. Native Hawaiians receive 0.2 percent of the program dollars for an approximate total of \$994,000.
- **Impact Aid. FY04 Request - \$1.02 billion (FY03 Level, \$1.140 billion)**  
***NIEA requested amount for Impact Aid - \$1.140 billion***  
The Impact Aid program provides funding to LEAs under three separate categories including Basic Support, Payments for Children with Disabilities, and Construction. This program

provides funding to public schools that are impacted by large amounts of non-taxable Federal (or Indian) land and students that reside on that land. There was an unexplained reduction of \$3 million requested in the President's FY 2003 proposal and a reduction of \$115 million in the FY 2004 request related to the elimination of funding for Part B children, (those who live on Federal land or have a parent working on Federal land but not both). NIEA believes that the proposed change which eliminates the eligibility of Part B students does not affect Indian students but appears to penalize children of military personnel. For this reason, and in light of pending military action, NIEA cannot support a reduction in Impact Aid funding in FY2004. There seems to have been no change in the authorization of this program and no justification for the change in eligibility, so we cannot support the change. Since the majority of the funding goes to staff salaries, we request that the overall funding available for the basic program for Part A students be increased by at least the rate of annual cost of living increases.

- Basic Support Payments (\$462 million). Basic Support Payments provide the payments to LEAs in lieu of taxes for Indian children residing on Indian lands or other federally-connected lands which cannot be taxed. Approximately 128,000 Indian children living on Indian lands generate forty percent of the total Impact Aid allocation.
  - Payments for Children with Disabilities (\$21 million). Impact Aid provides funding for special education-related services for approximately 18,700 Indian children which live on Indian lands and attend public schools. The Administration is requesting \$50 million under this program.
  - Construction (\$36 million). Construction funds are included under Impact Aid and provide \$9 million in formula funds to districts on behalf of students residing on Indian lands. An additional \$27 million is provided for competitive construction grants. The President's FY2004 request for construction is \$45 million.
- **English Language Acquisition. FY04 Request - \$665 million (FY03 Level, \$665 million)**  
**BIA Set-Aside Amount - \$55 million**  
 This program is the same as the former Bilingual Education program and supports the education of limited English proficient students. A 0.5 percent set-aside is allowed for American Indian and Alaska Native children and equals approximately \$5 million. An additional \$50 million is estimated to serve Indian students enrolled in public schools.
  - **21<sup>st</sup> Century Community Learning Centers. FY04 Request - \$600 million (FY03 Level, \$1 billion)**  
**NIEA Requested Amount - \$1.2 billion**  
**BIA Set-Aside Amount - \$4.3 million**  
 The No Child Left Behind Act converted this program from a national competition to a state formula grant program with state educational agencies. One percent is reserved for the BIA and outlying areas. The fiscal year 2003 request of \$1 billion would provide \$7 million to the BIA. This program provides after hours learning opportunities for children who attend low performing schools or are low income. This amount would continue the program at only sixty percent of its previous level due to disappointing findings with regard to the

effectiveness of the program in influencing student behavior and academic performance. NIEA supports this program and would like to see it expanded so that more schools could participate. Instead, the President proposes a forty percent cut due to “disappointing early results.” We think this is shortsighted. More resources, rather than less, are needed if the goals of NCLB are going to be realized.

- **Education Technology State Grants. FY04 Request - \$700.5 million (FY03 Level, \$700.5 million)**  
***BIA Set-Aside Amount - \$5.1 million***  
 The Education Technology State Grants program supports efforts to integrate technology into curricula to improve teaching and learning. One percent is available for the BIA and would equal approximately \$5.1 million for BIA schools. The FY2004 request is \$700 million.
- **Grants for State Assessments. FY04 Request - \$390 Million (FY03 Level, \$387 million)**  
***BIA Set-Aside Amount - \$1.85 million***  
 The grants for the State Assessments program helps states develop and implement the additional assessments required by the No Child Left Behind Act. With a 0.5 percent set-aside, the BIA would receive approximately \$1.85 million of the \$390 million request.
- **Education for Homeless Children and Youth. FY04 Request - \$50 Million (FY03 Level, \$50 million)**  
***BIA Set-Aside Amount - \$500,000***  
 The BIA received one percent of the \$50 million request for educational services for homeless youth.
- **Vocational Education. FY04 Request - \$1 billion (FY03 Level, \$1.3 billion)**  
***Indian Set-Aside - \$14.75 million for Indian And Alaska Native tribes and organizations and \$2.95 million for Native Hawaiian organizations***  
 Vocational education, and programs for Indians, Alaska Natives and Native Hawaiians, are expected to be reauthorized beginning in FY2004 and may undergo change. Currently, Indian programs receive 1.25 percent and Native Hawaiians receive .25 percent of the State Grants under the Vocational Education program. The program supports academic, vocational, and technical skills of students in high schools and community colleges.
- **Tribally Controlled Postsecondary Vocational and Technical Institutions. FY04 Request - \$6.5 million (FY03 Level, \$6.5 million)**  
 This program provides competitive grants for the operation and improvement of tribally controlled postsecondary vocational and technical institutions.
- **Higher Education Aid for Institutional Development. FY04 Request - \$385.2 million (FY03 Level, \$373.8 million)**

  - ***Strengthening Tribally Controlled Colleges and Universities - \$19 million***  
 Authorized under this program are 1-year planning and 5-year development grants that enable institutions to improve and expand their capacity to serve American Indian

students. There is an increase of \$907,000 in this program over the FY 2003 request. NIEA supports this increase, but must point out that the increase will barely cover the pay cost of personnel under this program.

- ***Strengthening Alaska Native and Native Hawaiian-Serving Institutions - \$4.48 million***  
Authorized under this program are 1-year planning and 5-year development grants that enable institutions to improve and expand their capacity to serve Alaska Native and Native Hawaiian students. The FY04 request is \$2.4 million less than the FY03 amount.
- **Special Education. FY04 Request - \$10.7 billion (FY03 Level, \$9.687 billion)**
  - ***Grants to States - \$82.5 million***  
The BIA is expected to receive 1.226 percent of the \$9.5 billion Special Education Grants to States appropriation. Approximately 8,500 Indian students in the BIA system would be served with disability education services.
  - ***Grants for Infants and Families - \$5.5 million***  
The BIA will receive funding under the Grants for Infants and Families authorization under the Special Education program.
- **Vocational Rehabilitation. FY04 Request - \$2.668 million (FY03 Level, \$2.616 million)**  
***Grants to Indians - \$27.6 million***  
The Rehabilitation Act requires that between 1.0 percent and 1.5 percent of the funds appropriated under the State Grants program be set-aside for Indian tribes to provide vocational rehabilitation services to American Indians with disabilities living on reservations.
- **Pell Grants. FY04 Request - \$12.715 billion, (FY03 Level, \$10.683 billion)**  
***NIEA requested amount -- \$14 billion***  
This request includes an increase of \$1.9 billion. The President's proposal would continue these grants at a maximum of \$4,000 per year. Since costs of college continue to rise, this maximum is not regarded by many as sufficient and should at least be raised in amounts equal to rises in college tuition. While the overall amount of the line item is increased, the amount available for grants is decreased, probably due to over expenditures in the program from previous years. NIEA strongly supports an increase in the amount of grant money available and recommends an increase in the maximum amount for these grants to \$4,500. Students need to be encouraged to attend and stay with their college programs. Costs have risen significantly and these grants must make some effort to keep pace. This fund is critical to the continuing education of many American Indian students and NIEA supports an increase to \$14 billion for this program.

Below is a table showing the FY2003 and FY2004 set-aside funding levels by Department of Education program for the Bureau of Indian Affairs. These programs assist the BIA in ensuring that core education programs also benefit Indian students attending school operated by the Department of Interior.

**INDIAN TRIBES SET-ASIDES  
U.S. DEPARTMENT OF EDUCATION FUNDING, FY2002-FY2004 Request**

	2002	2003	2004 REQUEST
Goals 2000 - State & Local Educ. Systemic Improvement	\$0	\$0	\$0
Technology Literacy Challenge Fund	\$5,148,675	\$5,148,675	\$5,148,675
ESEA Title I - Grants to LEAs	\$76,821,335	\$78,005,952	\$85,197,780
ESEA Title I - Even Start	\$0	\$0	\$0
ESEA Title I - Demo./Comprehensive School Reform	\$1,647,765	\$1,690,075	\$0
Class-Size Reduction	\$0	\$0	\$0
Eisenhower Professional Development State Grants	\$0	\$0	\$0
Safe and Drug-Free Schools & Communities, St Grants	\$4,750,000	\$4,750,000	\$4,750,000
Education for Homeless Children and Youth	\$500,000	\$500,000	\$500,000
Special Education - Grants to States	\$79,377,301	\$80,985,395	\$82,548,820
Special Education - Grants for Infants & Families	\$5,148,148	\$5,395,062	\$5,518,519
Vocational Rehabilitation State Grants	\$25,998,000	\$26,804,000	\$27,600,000
Protection and Advocacy of Individual Rights	\$63,384	\$63,384	\$74,559
Vocational Education State Grants	\$14,750,000	\$14,750,000	\$0
Fund for the Improvement of Educ., Comp. Sch. Reform	\$750,000	\$0	\$0
Reading First	\$4,500,000	\$5,000,000	\$5,250,000
Improving Teacher Quality State Grants	\$14,178,750	\$14,178,750	\$14,178,750
21st Century Community Language Centers	\$7,011,765	\$7,191,809	\$4,315,085
State Assessments and Enhanced Assessment Instruments	\$1,850,000	\$1,900,000	\$1,950,000
Rural and Low-Income Schools Program	\$406,250	\$0	\$0
Language Acquisition State Grants	\$5,000,000	\$5,000,000	\$5,000,000
State Agency Program - Neglected & Delinquency	\$800,000	\$800,000	\$800,000
Secondary & Technical Education State Grants -	\$0	\$0	\$12,500,000
<b>INDIAN TRIBES SET-ASIDE TOTAL</b>	<b>\$248,701,373</b>	<b>\$264,663,084</b>	<b>\$255,332,188</b>

• **Previously funded programs where funding has been eliminated - \$0**

***NIEA requested amount -- \$1.5 billion***

There are 45 programs in the Department of Education where about \$1.5 billion of funding is proposed to be eliminated. Several of these programs potentially affect the education of Indian children. The elimination of the programs seems more related to the needs of more high profile programs for extra funding than any evaluation of the programs slated for elimination. NIEA believes that several of these programs are beneficial to Indian children and should be closely reviewed prior to any decision to eliminate their funding.

**Program Terminations**

Program (\$ in millions) 2004

Adult Education National Leadership Activities	\$9.5
Advanced Credentialing	10.0
Alcohol Abuse Reduction	25.0
Arts in Education	30.0
B.J. Stupak Olympic Scholarships	1.0
Close Up Fellowships	1.5
Community Technology Centers	32.5

Comprehensive Regional Assistance Centers	28.0
Comprehensive School Reform	235.0
Demonstration Projects to Ensure Quality Higher Education for Students with Disabilities	7.0
Dropout Prevention Programs	10.0
Eisenhower National Clearinghouse for Math and Science Education	5.0
Eisenhower Regional Math and Science Education Consortia	15.0
Elementary and Secondary School Counseling	32.5
Exchanges with Historic Whaling and Trading Partners	5.0
Federal Perkins Loans: Capital Contributions	100.0
Foreign Language Assistance	14.0
Javits Gifted and Talented Education	11.3
Leveraging Educational Assistance Partnerships	67.0
Literacy Programs for Prisoners	5.0
Loan Forgiveness for Child Care Providers	1.0
Migrant and Seasonal Farmworkers	2.4
National Writing Project	14.0
Occupational and Employment Information	9.5
Parental Assistance Information Centers	40.0
Physical Education Program	50.0
Preparing Tomorrow's Teachers to Use Technology	62.5
Projects With Industry	22.1
Ready to Teach	12.0
Recreational Programs	2.6
Regional Educational Laboratories	67.5
Regional Technology in Education Consortia	10.0
Rural Education	162.5
School Leadership	10.0
Smaller Learning Communities	142.2
Star Schools	27.5
State Grants for Community Service for Expelled or Suspended Students	50.0
State Grants for Incarcerated Youth Offenders	17.0
Supported Employment State Grants	38.2
Tech-Prep Demonstration	5.0
Tech-Prep Education State Grants	108.0
Thurgood Marshall Legal Educational Opportunity Program	4.0
Underground Railroad Program	2.0
Vocational Education National Programs	12.0
Women's Educational Equity	3.0
<b>Total</b>	<b>\$1,519.0</b>

## U.S. DEPARTMENT OF INTERIOR

### Bureau of Indian Affairs Education - FY2004 President's Budget Request

The Federal Government is responsible for two school systems in this country. These include the Department of Defense schools and schools operated by the Bureau of Indian Affairs (BIA).

The BIA operates 187 schools in its system with an attendance of 50,000 students. These schools are located in 23 states with most located on Indian reservations. Below are NIEA's

FY2004 funding recommendations for these schools. (Efforts have been made to use the actual appropriated amounts in italics for FY2003).

## SCHOOL OPERATIONS

- **Indian School Equalization Program. FY04 Request, \$354.3 million (FY03 Level, \$349.5 million)**  
*NIEA requested amount -- \$359.5 million*

This amount is \$4.8 million over the FY2003 level of funding (*including \$700,000 of the \$2 million rescission, the majority of which was inexplicably charged to education*). The amount includes an increase over last year to pay for pay adjustments. NIEA understands that there is little chance of substantial increases in domestic programs this year and we support the full funding for the costs of pay adjustments under ISEP. Beyond this, however, additional funding is necessary to assist schools with the implementation of the “No Child Left Behind Act (NCLB).” The Bureau of Indian Affairs Office of Indian Education Programs (OIEP) functions as a state education agency (SEA) and the local schools function as local education agencies (LEAs). These schools and the OIEP are responsible for implementing NCLB in the same way and to the same extent as states and state public schools. We support an increase of no less than \$10 million.
- **ISEP Program Adjustments. FY04 Request, \$667,000 (FY03 Level, \$675,000)**  
*NIEA requested amount -- \$667,000*

This line item is decreased by nearly \$5 million from the FY 2003 President’s Request, which included funding for the “privatization” initiative. NIEA supports this request and the elimination of the “privatization” initiative.
- **Early Childhood Education. FY04 Request, \$15.8 million (FY03 Level, \$15.3 million)**  
*NIEA requested amount -- \$17.3 million*

This increase of \$567,000 over last year will fund a study of the FACE program, but will not add additional programs. This will stop the momentum of growth in this program that has been expanding by about 10 schools per year. NIEA supports an additional \$1.5 million to a level of \$17.3 million to add about 5 new FACE programs. NIEA has no problem with a study to demonstrate and document results, we believe the program should continue to grow in the meantime. Also, we would caution that the evaluation should look beyond student achievement measures and evaluate student and parental involvement in the school.
- **Student transportation. FY04 Request, \$38.6 million (FY03 Level, \$37.5 million)**  
*NIEA requested amount -- \$50 million*

This item contains an estimated \$1 million increase for this program that pays for round trip transportation of students. The under funding of this line item means that schools must use their instructional dollars to pay for transportation. Full funding for this line item would be about \$50 million. The failure to fully fund this line item drains instructional dollars from the schools. NIEA supports full funding of this program.
- **Facilities Operations. FY04 Request, \$57.8 million (FY03 Level, \$55.8 million)**  
*NIEA requested amount -- \$70 million*

This seriously underfunded program is expected to receive an estimated \$2 million increase in the FY2004 budget. The BIA has a formula that calculates actual costs of the program on an objective basis. It has been several years since the formula was fully funded. As in the case with Student Transportation, inadequate funding in this program has to be made up from the amount identified within ISEP for the instructional program. Full funding under the needs based formula would provide over \$70 million. A congressionally mandated formula identifies the actual needs to maintain the facilities, however, NIEA supports full funding of this program.

- **Administrative Costs Grants. FY04 Request, \$46.18 million (FY03 Level, \$46.065 million)**

*NIEA requested amount -- \$52 million*

Congress has repeatedly failed to appropriate the amount requested by BIA, much less fully fund the formula. This year, only a small increase of about \$210,000 has been proposed. This submission may violate the newly amended statute that requires the Administration to request full funding of the amount generated by the statutory formula. NIEA supports an increase of this line item to at least \$52 million. Since this line item is forward funded, even that amount may be inadequate by SY2005 if a significant number of schools decide to convert to grant or contract.

- **New Administrative Cost Grants. FY04 Request, \$3 million (No prior level funding)**  
*NIEA requested amount -- \$5.2 million*

To implement the newly enacted amendment to P.L.95-561, a line item for those schools that are converting to contract or grant status is being established at a funding level of \$3 million. This request is not technically in compliance with the law since the law requires that the amount requested be equal to ten percent of the amount of the overall administrative cost grant line item, which the law requires to be requested at the one hundred percent level. NIEA believes that the President is required to request ten percent of the administrative cost grants line item as stated in the law.

- **Tribal Departments of Education. FY04 Request, \$0 (FY03 Level, \$0)**  
*NIEA requested amount -- \$1 million*

With the amendments enacted under the No Child Left Behind Act (NCLB) new opportunities for assuming control of their educational programs are available to the tribes, but there is no ready source of funding for tribes who are ready and willing to assume such regulatory and oversight functions. NIEA supports an amount of at least \$1 million for this program so that tribes can plan for the assumption of "SEA (State Education Agency) functions" as authorized within NCLB.

#### **TRIBALLY CONTROLLED COMMUNITY COLLEGES**

- **Tribally Controlled Colleges. FY04 Request, \$38.1 million (FY03 Level, \$42 million)**  
*NIEA requested amount -- \$42 million*

There is a minor decrease in this line item of almost \$2 million, probably due to a \$2 million increase in the FY2003 level of sending at the last minute. NIEA strongly feels that the amount restored in FY2003 should be continued in FY2004. NIEA strongly supports an

increase in addition to the restored funding of an additional \$2 million to about \$42 million. This amount would still be substantially below the authorized amount under the statute. Community colleges are playing an increasingly important role in Indian country, as they are called upon to support the activities of the local schools in many ways. They are playing a major role in the preparation of staff to provide effective education in reservation schools so that no Indian child will be left behind.

## EDUCATION CONSTRUCTION

- **Replacement School Construction. FY04 Request, \$131.4 million (FY03 Level, \$125.2 million)**

*NIEA requested amount -- \$131.4 million*

The commitment of both President Bush and the Congress to provide repair or replace the dilapidated BIA schools continues. NIEA supports the funding level in this request. The President is continuing his commitment to eliminate the massive backlog in BIA school facilities.

- **Facilities Improvement and Repair. FY04 Request, \$148.2 million (FY03 Level, \$164.8 million)**

*NIEA requested amount -- \$148.2 million*

This line item has a slight decrease, but the funding is offset by increases in replacement school construction. NIEA strongly supports the funding level of this line item.

## SPECIAL PROGRAMS AND POOLED OVERHEAD

- **Post Secondary Schools. FY04 Request, \$14.9 million (FY03 Level, \$14.9 million)**

*NIEA requested amount -- \$15.2 million*

These programs play a very important role in the education of Indian people. NIEA requests an increase that is at least sufficient to cover pay adjustments.

- **Crownpoint Institute of Technology. FY04 Request, \$0 (FY03 Request, \$1.2 million)**

*NIEA requested amount -- \$1.5 million*

In 2002, CIT received \$1.2 million dollars. The Senate earlier approved \$1.5 million for CIT for FY2003 but the final amount appropriated was \$1.2 million. The President's request would zero out this important program serving the Navajo people. NIEA supports continuation funding for CIT at the \$1.5 million level approved earlier by the Senate during the 107<sup>th</sup> Congress.

- **United Tribes Technical College. FY04 Request, \$0 (FY03 Level, \$3 million)**

*NIEA requested amount -- \$3 million*

In FY2002, the United Tribes Technical College received \$3 million. Both the House and the Senate versions of the budget continued that amount of funding in FY2003 as did the Omnibus spending bill. The President would again attempt to zero out this important option for Indian students to learn job skills. NIEA supports continued funding for this important program at \$3 million level.

## INDEPENDENT AGENCY

- **Institute of American Indian Affairs - FY04 Request, \$5.25 million (FY03 Request, \$5.49 million)**

***NIEA requested amount - \$\$11.25 million***

The Institute of American Indian Arts (IAIA) is recommended for funding at \$5.25 million in FY2004 and is \$249,000 less than FY2003. In FY2003, \$1 million was applied to the construction of the Library Technology Center. In FY2004, IAIA is seeking \$5.25 million for operations and an additional \$6 million is support for the Lifelong Learning Center.

## HEALTH AND HUMAN SERVICES, PRESIDENT'S FY 2004 BUDGET REQUEST

- **Head Start - FY04 Request, \$6.816 billion (FY03 Level, \$6.668 billion)**

***NIEA requested amount -- \$7.146 billion***

There is an increase of \$148 million for this critically important program over the expected funding level for FY2003, about a two percent increase. This is insufficient even to cover normal salary adjustments. With the emphasis on early childhood intervention strategies, this program should obviously be a higher priority for this Administration if no child is to be left behind. NIEA believes this increase is inadequate and recommends an increase of no less than five percent, about \$330 million. In order that disadvantaged children are ready to learn when they enter school, much more must be done during the pre-schools years.

**Summary:** NIEA is pleased to have been offered the opportunity to provide testimony on the President's fiscal year 2004 budget request. The Congress has the daunting task of developing a viable 2004 budget while the country contemplates military action. Even during this difficult time, NIEA would like to stress that Indian education is still a priority for Indian Country and needs the resources to effectively meet the goals of the No Child Left Behind Act. In addition to appropriations, the Congress must reauthorize several education laws this year including: the Higher Education Act; the Individuals with Disabilities Education Act; and Head Start. To this end NIEA is requesting that an oversight hearing be held on each of these reauthorizations to ensure Indian Country's voice is heard as these laws get amended. Without this opportunity to provide input during a highly partisan Congress, the likelihood of excluding the needs of Indian people increases as the momentum of each reauthorization moves forward. We ask the committee to consider this early on in the current session.

In closing, NIEA would like to thank Chairman Campbell, Vice Chairman Inouye and members of the committee for your steadfast support of the concerns of Indian Country. We would be happy to answer any questions the committee may have.

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