NEW SUPPORT FOR FAMILIES AND AREAS AFFECTED BY HURRICANE KATRINA

“I know the tragedy of Hurricane Katrina will cause unexpected costs for families and school systems throughout the current school year. The President and I want to take that worry off their minds so that they can focus on the most important thing -- educating these children.”

--Secretary Margaret Spellings

Recognizing the Needs of Students and Schools

- Current estimates show that 372,000 students from Louisiana and Mississippi are not able to attend class in their local schools, both public and private, because of the devastation of Hurricane Katrina.
- It is important for parents to enroll their children in school wherever they are, because school can bring stability and reassurance to children's lives. In the wake of this tragedy, it is important that we keep our commitment to provide every child with a quality education.
- Communities throughout our nation are reaching out to welcome these displaced students into their schools, and school districts are responding quickly to meet the needs of these students.
- The Department of Education commends these communities for welcoming displaced students and their families, and is working closely with state and local leaders in the Gulf Coast region to determine the full range of student-related and school-related needs.

The U.S. Department of Education: Meeting the Needs of Students and Schools

The Department of Education is proposing up to $2.6 billion in funding for elementary, secondary and post secondary relief.

- Funding for Elementary and Secondary Students in Impacted Areas.
  These new proposals recognize the unique circumstances that schools are facing due to Hurricane Katrina, and honor the fact that public and private schools across the country have opened their doors to displaced students.
  - Assistance for Schools. In recognition of the communities that have welcomed these displaced children, the Department of Education is proposing up to $1.9 billion in funding similar to the Impact Aid program to school districts, including charter schools, enrolling at least 10 displaced children. This funding would reimburse districts for the unexpected cost of educating these new children for the 2005-06 school year.
    - This funding would be granted to districts based on the number of displaced students enrolled multiplied by up to 90% of the state’s average per pupil expenditure for education, with a maximum annual payment of $7,500 per child.
    - For Louisiana and Mississippi, the funding will go to the state, rather than directly to school districts. These states will have the flexibility to divide the money between districts enrolling displaced students and districts within the severely impacted areas that are working to reopen schools as quickly and effectively as possible.
    - This funding would assist in paying for the increased cost associated with displaced students—costs that were not budgeted for at the start of the school year—including teacher salaries, transportation, materials and equipment, special services for children with disabilities, supplemental educational services, and counseling.

For more information, visit www.hurricanehelpforschools.gov or call 1-800-USA-LEARN.
To ensure the funding supports the education of children wherever they are enrolled, this funding for displaced students will be distributed quarterly through the 2005-2006 school year. These funds will also be subject to appropriate financial accountability measures.

- Meeting Needs for All Students. Communities in Louisiana significantly impacted by the hurricane had an above average number of children enrolled in private schools - 61,000 students in private schools compared to 187,000 in public schools in four severely impacted parishes. These significantly impacted Louisiana communities averaged 25% of students attending private K-12 schools – much higher than the 11% national average of private school students.
  - In recognition of the fact that many families who have been displaced by the hurricane have already chosen to enroll their children in private schools, the Department of Education is proposing up to $488 million to compensate families for the costs associated with attending these private schools.
  - This emergency compensation would be in an amount up to 90% of the state's average per pupil expenditure through the 2005-06 school year, with a maximum annual payment of $7,500 per child. These funds will also be subject to appropriate financial accountability measures.

- Helping Students, Colleges and Universities Affected by Hurricane Katrina
  Many colleges and universities across the country have agreed to accept students previously enrolled in Gulf Coast-area institutions, so they can continue their studies uninterrupted. The Department is proposing up to $227 million in funding to: help meet the needs of displaced adults who are in repayment on their student loans; provide aid to colleges and universities receiving displaced students; and provide support to both colleges and universities in the severely storm-damaged areas and the students previously enrolled in these institutions.

  - Short-Term Help for Students. The Department of Education is proposing to forgive six months of interest on all student loans for borrowers in the severely impacted areas of Alabama, Louisiana and Mississippi.
  - Aid to Colleges and Universities. Colleges and universities receiving displaced students will receive aid to help meet the unexpected costs associated with educating these students. Colleges and universities would receive a $1,000 payment for each displaced student.
  - Emergency Support for Affected Colleges and Universities and Relief for Impacted Students. To help colleges and universities, including community colleges, in the severely damaged areas resume operations quickly and effectively, colleges and universities that have temporarily ceased operations would be able to retain student aid already received for the new academic year. In addition, students would be relieved of any obligation to repay the federal aid that they received for the current term at these colleges and universities that have temporarily ceased operations.

- The President Proposed Worker Recovery Accounts To Help Those Who Need Extra Help Finding A Job.
  In addition to the Department of Education’s proposals, the Department of Labor is proposing new Worker Recovery Accounts that will provide targeted assistance for those victims of Hurricane Katrina who need extra help finding work. These Accounts, which states will have flexibility to design, will provide up to $5,000 to certain job seekers to allow them to purchase the training or supportive services, such as child care or transportation, they need to get back to work. In addition to whatever services they select, workers will still be able to receive basic employment services from states and One Stop Career Centers. If workers find a job within 13 weeks after starting Unemployment Insurance benefits or Disaster Unemployment Assistance, they may keep the money remaining in their account as an employment bonus.

- Flexibility to States, School Districts and Colleges Helping Displaced Students.
  To help those affected by Hurricane Katrina, the Department is requesting waiver authority to allow the Secretary, on a case by case basis, to quickly waive or modify certain provisions of federal education laws to provide assistance to students, school districts, colleges, universities, and states affected by the hurricane. These waivers may be used to extend program reporting deadlines and to allow states, school districts, and institutions of higher education to use funds more broadly to help displaced students.