

IMPACT AID OVERVIEW

(TITLE VII - EVERY STUDENT SUCCEEDS ACT)

The Federal government is exempt from paying taxes on its property. Therefore, Federal property located within a community imposes a financial burden on local taxpayers. Congress created the Impact Aid Program to reimburse school districts for lost local tax revenue.

Examples of Federal impactation:

- Military installations
- Indian Trust, Treaty, Alaska Native Claims Settlement Act lands
- Federal low-rent housing facilities
- Civil service activities (VA hospitals, Federal laboratories, national parks, etc.)

Federal impactation:

- Causes a loss of local tax revenue due to the presence of **Federal property**.
- Results in additional costs due to the enrollment of **federally connected children**.

Impact Aid:

- Makes up for lost tax revenues.
- Levels the playing field for Federally impacted school districts.

Impact Aid funds are efficient, flexible, and locally controlled.



Impact Aid funds are appropriated annually by Congress. The US Department of Education disburses the funding directly to school districts.



School district leaders decide how Impact Aid funds are spent, including for instructional materials, staff, transportation, technology, facility needs, etc.

Impact Aid:



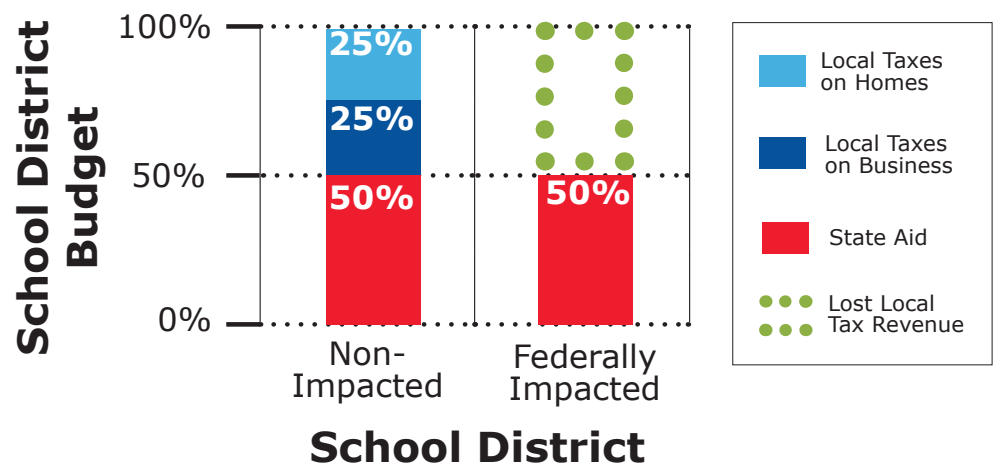
\$1.6 billion



1,100 school districts educating



9 million students



Program Section	Description	FY23
7002 Federal Property	School districts with a large percentage of Federal property (VA hospitals, Federal laboratories, national parks, etc.).	\$78,313,000
7003 Basic Support	School districts that educate federally connected students: Indian Lands, Military on/off base, Civilian on/off base, Low Rent Housing.	\$1,468,242,000
7003(d) Disabilities	Payments for Military and Indian Lands students with disabilities for IDEA eligible activities.	\$48,316,000
7007 Construction	Payments for construction allocated by formula and competitive grants.	\$18,406,000
7008 Facilities	Payments for updates to facilities owned by the US Department of Education.	\$4,835,000

Total: \$1,618,112,000

SECTION 7004 - POLICIES AND PROCEDURES RELATING TO CHILDREN RESIDING ON INDIAN LAND

School districts that educate children residing on Indian Land must establish Indian Policies and Procedures (IPPs) to ensure the school district meets certain education and consultation requirements. The U.S. Department of Education reviews and approves IPPs. Tribes have the right to waive the requirement that a school district develop IPPs.

- A school district’s IPPs must explain the procedures it will use to meet the following six requirements:
 1. Disseminate relevant applications, evaluations, program plans and information related to the district’s education program and activities with sufficient advance notice to allow Tribes and parents of Indian children the opportunity to review and make recommendations.
 2. Provide an opportunity for Tribes and parents of Indian children to provide their views on the district’s education program and activities, including recommendations on the needs of their children and how the district may help those children realize the benefits of the program and activities. As part of this requirement, the district will:
 - (i) Notify Tribes and parents of Indian children of the opportunity to submit comments and recommendations, considering the Tribe’s preference for method of communication; and
 - (ii) Modify the method of and time for soliciting Indian views, if necessary, to ensure the maximum participation of Tribes and parents of Indian children.
 3. Assess at least annually the extent to which Indian children participate on an equal basis with non-Indian children in the district’s education program and activities. As part of this requirement, the district will:
 - (i) Share relevant information related to Indian children’s participation in the district’s education program and activities with Tribes and parents of Indian children; and
 - (ii) Allow Tribes and parents of Indian children the opportunity and time to review and comment on whether Indian children participate on an equal basis with non-Indian children.
 4. Modify the IPPs, if necessary, based upon the results of any assessment or input described in Federal regulations.
 5. Respond at least annually in writing to comments and recommendations made by Tribes or parents of Indian children, and disseminate the responses to the Tribe and parents of Indian children prior to the submission of the IPPs by the district.
 6. Provide a copy of the IPPs annually to the affected Tribe or Tribes.

Please note: The IPPs that school districts must establish are distinct from the Title VI Parent Advisory Committee and ESSA State Tribal Consultation requirements.

Excerpted from:

<https://www.nafisdc.org/wp-content/uploads/2023/09/The-Basics-Book-Fall-2023-9.6.23.pdf>

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