

IS YOUR SCHOOL DISTRICT ELIGIBLE FOR IMPACT AID FUNDING?

Impact Aid reimburses school districts for revenue lost due to the presence of nontaxable federal property (such as military installations, Indian lands, federal low-income housing, and national parks).

WHAT TYPE OF IMPACT AID FUNDING IS AVAILABLE?

Approximately 1,300 federally impacted school districts receive Impact Aid funding in the form of **Basic Support payments** (Section 7003), **Federal Property payments** (Section 7002), or **both**.

SECTION 7002 FEDERAL PROPERTY



Section 7002 reimburses school districts that have lost significant local revenue due to **federal ownership of land within school district boundaries**.

Eligible federal property includes (but is not limited to):

- National parks and grasslands
- National laboratories
- Army Corps of Engineers projects
- Military testing grounds
- Environmental waste sites

To be eligible, the property must meet ALL FOUR of the following criteria:

- 01** Acquired by the federal government after 1938;
- 02** Was 10% or more of the assessed value of taxable property in the district;
- 03** Not exchanged for other federal property; and,
- 04** Revenue from federal activities on the property do not substantially compensate the school district.

SECTION 7003 BASIC SUPPORT



Section 7003 compensates school districts for **educating students whose parents or legal guardians reside and/or work on federal property**.

To be eligible, the school district must EITHER:

- A.** Educate at least **400** federally connected students in average daily attendance (ADA); **OR,**
- B.** Federally connected students represent at least **three percent** of the school district's ADA.


Federally connected students are those who:

- Reside on federal property with a parent who is
 - employed on federal property
 - on active duty in the uniformed services
- Reside on Indian lands
- Reside in federal low-income housing (not Section 8)
- Have a parent who
 - is on active duty in the uniformed services but does not reside on federal property
 - either resides on federal property or works on federal property (note: these students are only counted for Impact Aid if there are either 1,000 in or 10% of the school district's ADA)

Property must be verified by the U.S. Department of Education as federally owned.

THINK YOUR SCHOOL MIGHT BE ELIGIBLE?

Contact the National Association of Federally Impacted Schools (NAFIS) to learn more about Impact Aid.

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