Arizona Tops Nation in Impact Aid Payments

New NAFIS reports show distribution of funds by state, school district and congressional district

Washington, DC – November 12, 2019 – The National Association of Federally Impacted Schools (NAFIS) today released Impact Aid Payments Overview: Fiscal Year 2018 Section 7003 – Basic Support and Impact Aid Payments Overview: Fiscal Year 2018 Section 7002 – Federal Property. These publications detail how Impact Aid funds were distributed to local education agencies across the United States and its territories – and Arizona school districts receive more than any other state.

According to FY 2018 data from the U.S. Department of Education (the most recent available), Arizona school districts received $173.9 million in Basic Support funding and $5.1 million in Impact Aid Children with Disabilities funding. Were the program fully funded by Congress, Arizona schools would have received more than $218 million in Basic Support.

Seventy Arizona school districts serving more than 217,000 students benefit from these funds. Nationally, approximately $1.4 billion in Impact Aid appropriations supported 1,253 school districts serving around 10 million students.

Impact Aid is a Federal education program that partially reimburses school districts for the lost revenue and additional costs associated with the presence of nontaxable Federal property, such as military installations, Indian trust or treaty lands, Federal low-rent housing, national parks, national laboratories and other Federal buildings and property. Because most school districts are funded largely through local taxes and fees, and because Federal land is exempt from taxation, districts containing Federal property are at a financial disadvantage in funding their schools. Impact Aid (Title VII of the Every Student Succeeds Act, ESSA) recognizes the Federal government’s obligation to help finance public education and support students in areas where it holds land, though it hasn’t been fully funded since 1969.

“Impact Aid is a critical source of funding for Arizona schools, in some cases comprising 50% or more of school districts’ budgets,” said Larry Wallen, Executive Director of the Arizona State Impact Aid Association (AzSIAA). “Districts use Impact Aid to support high-quality teachers, safe transportation, education technology, social emotional supports and other programs and services that ensure Arizona students have access to a quality education.”

“Impact Aid plays an important role in school districts’ efforts to provide all students with the opportunities they need to meet their full potential,” said NAFIS Executive Director Hilary Goldmann.
“These publications highlight the diversity of federally impacted school districts, and they make clear that some school districts and the students they serve are being shortchanged hundreds of thousands of dollars because the program is not fully funded.”

The reports aim to raise the awareness of Federal, state and local policymakers of the importance of Impact Aid to individual school districts and states. The publications, along with an infographic offering a national snapshot of the program, can be found on the NAFIS website.

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The National Association of Federally Impacted Schools (NAFIS) represents the 1,200-plus federally impacted public school districts that together educate more than 10 million students across the nation. Federally impacted school districts are those located on or near nontaxable Federal property—including military installations; Indian Trust, Treaty and Alaska Native Claims Settlement Act lands; Federal low-income housing facilities; and national parks, national laboratories and other Federal buildings and property. These school districts, which are demographically and geographically diverse, receive Impact Aid, a Federal education program that reimburses school districts for the lost local revenue and additional costs associated with the presence of Federal property. To learn more, visit www.nafisdc.org.