

# FIVE KEY FACTS ABOUT IMPACT AID

Impact Aid is a complex federal education program. It's helpful to have basic information readily available when educating your community, Members of Congress, Hill staff and other policymakers and stakeholders about the program. Here are five key facts about Impact Aid:

- 1 Impact Aid is a federal education program that reimburses school districts for the lost revenue and additional costs associated with the presence of nontaxable federal property.** Because most public school districts are funded largely through local taxes and fees, and because federal land is exempt from taxation, as are many of the businesses and facilities located on that land, districts containing federal property are at a financial disadvantage in funding their schools. Impact Aid is "Uncle Sam" paying his taxes — if it did not exist, local taxpayers would be burdened to make up the difference or students would have to go without the resources and opportunities the funding provides.
- 2 Impact Aid supports 1,100-plus federally impacted public school districts that together educate more than 9 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.
- 3 Impact Aid funding is direct, locally controlled and flexible.** School districts submit Impact Aid applications to the U.S. Department of Education each year. The Department reviews the applications and processes payments based on congressional appropriations each fiscal year. These funds are disbursed directly to school districts by the Department in multiple installments — bypassing state involvement. Impact Aid dollars can be used for any general fund purpose, such as instructional materials, salaries, transportation, technology or capital needs. All decisions on how Impact Aid funds are spent are made locally. This flexibility and local control allows school district leaders to target funds supporting all students wherever the needs are greatest.
- 4 Impact Aid has not been fully funded since 1969.** This puts federally impacted school districts at a financial disadvantage compared to non-federally impacted districts, limiting the education supports and services they can provide to students.
- 5 Impact Aid is the oldest federal K-12 education program.** Impact Aid was signed into law by President Harry S Truman in 1950, and it was used as the vehicle to pass the Elementary and Secondary Education Act of 1965 (ESEA). The program has received wide, bipartisan support throughout the past 70 years and continues to do so today.