

## FAQ on Impact Aid

### For Parents Filling Out a Parent-Pupil Survey

#### Section 7003 - Basic Support

#### 1. What is Impact Aid?

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, such as military installations; Indian Trust or Treaty lands; Federal low-rent housing facilities; and national laboratories, national parks and other Federal buildings or lands. There are more than 1,200 federally impacted school districts (those districts that receive Impact Aid) located across all 50 states. Together, they educate more than 10 million public school students.

#### 2. How are federally impacted school districts different from other public school districts?

Most public school districts are funded in large part by local revenue – primarily a combination of local property taxes on homes and businesses or other local fees. School financing is limited for federally impacted school districts because Federal property – and housing, businesses, and other facilities located on Federal property – are tax exempt. This means that, unlike other types of property, the Federal government's land does not contribute to the costs of running a school district.

#### 3. Who are federally connected students?

The Impact Aid Section 7003 - Basic Support Program requires districts to count the number of federally connected students they serve. For this program, federally connected students are those who have a parent or guardian on active duty in the military; live on Indian lands, in Federal low-income housing or other federally owned property; or live with a parent or guardian who works on Federal property. More than 80 percent of military-connected and American Indian students attend public schools. A school district can receive Impact Aid funding if it has at least 400 federally connected students in its Average Daily Attendance (ADA), or at least 3% of all children in its ADA are federally connected. The number and percentage of federally connected students in a district is a critical factor in determining how much Impact Aid funding that district receives.

#### 4. Why is Impact Aid directed toward the school district and not individual families, schools or Tribes?

Impact Aid takes the place of revenue that a community would otherwise generate through property, income and sales taxes. Therefore, it goes into a school district's operating fund and is used to support *all* students in the district, just like other local tax revenue.

#### 5. How do school districts use Impact Aid funds?

Impact Aid can be used for any general fund purpose, such as instructional materials, teacher salaries, transportation, technology, social-emotional supports or facilities. 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.

## THE NAFIS FAMILY

### MISA

Military Impacted  
Schools Association

### NIISA

National Indian Impacted  
Schools Association

### FLISA

Federal Lands Impacted  
Schools Association

### MTLLS

Mid-to-Low-LOT  
Schools

**6. What information does the school district need to collect from parents, and why?**

For a school district to receive Impact Aid Section 7003 - Basic Support funding, the Federal government requires it to collect specific information to verify its federally connected students. For each student, this information includes both enrollment information (such as name, birth date and school) and residence and parent employment information (including, but not limited to, student address if on Federal property; name and address of the Federal property on which a parent is employed; and name, rank and branch of service of a parent who is a member of the uniformed services on active duty). The form must be signed and dated by the parent supplying the information.

**7. How is this information shared and protected?**

Information on the form is used only for purposes of submitting the Impact Aid application. It is subject to a school district's student privacy policy, as well as Federal and state laws protecting the privacy of students and families.

**8. Why do I have to complete these forms every year?**

Since enrollment changes from year to year, the Federal government requires school districts to count students every year before it allocates Impact Aid funding. It is critical that survey forms are filled out completely and signed, or the student may not be recognized as federally connected (which means less money for the school district!).

**9. Does my school district receive all the Impact Aid funding it is due?**

No. Funding must be approved annually by Congress. Because of limited Federal funding and competing interests, Impact Aid has not been fully funded since 1969. On average, school districts receive about 55% of what they're due.

**10. How much of my school district's budget is made up of Impact Aid?**

It depends on your community and its level of impactation. Impact Aid funding can range from a fraction of a percent to more than 50 percent of a school district's budget, as some federally impacted school districts are located entirely on Federal property or have as few as three taxpayers.

**11. What can I do to support Impact Aid?**

Be sure to complete all Impact Aid survey forms in their entirety to ensure it gets the funding it deserves. If you hear other parents questioning why they need to fill out the forms, let them know how important it is to their local school.

To learn more about Impact Aid and how to advocate for the program, visit the NAFIS website at [www.nafisd.org](http://www.nafisd.org).