www.MilitaryImpactedSchoolsAssociation.org

Military Impacted Schools Association

Impact Aid...

...providing for the educational needs of military families

CHAMPIONS FOR CHILDREN

Impact Aid...
...our children's future

Military children have a unique view of life. As Senator John McCain said in his best-selling book, ". . . repeated farewells to friends rank among the saddest regrets of a childhood constantly disrupted by the demands of a father's career. I would arrive at a new school, go to considerable lengths to make new friends, and, shortly thereafter, be transplanted to a new town to begin the process all over again. Seldom, if ever, did I see again the friends I left behind. . ."

This unique lifestyle imposed on military children highlights the need to ensure that schools serving our children have the finest teachers, facilities and support structure that our nation can afford. Impact Aid was meant to do this.

Who Is Eligible for Impact Aid?

In order to be eligible for Section 8003 of the Impact Aid Program, a school district must:

* have at least 400 federal students in their Average Daily Attendance; OR
* at least 3% of all children in the school district's ADA must be federally-connected

School districts must conduct a "first count" student survey each year to identify the number of federally-connected students. School districts must then submit an application directly to the U.S. Department of Education by January 31 containing the results of the "first count."

What is Impact Aid?

Impact Aid is a federal program that provides funding for a portion of the educational costs of federally-connected students. It is an in-lieu-of-tax program – in other words, it is the federal government paying its "property taxes" to local school districts as a result of the presence of a military installation.

Impact Aid is the only federal education program where the funds are sent directly to the school district. The funds go directly into the school district's general fund for operations such as purchase of textbooks, computers, utilities, and payment of staff salaries.

What is the history of Impact Aid?

Impact Aid was passed into law by Congress in 1950. It was designed to provide for the education of military children. But as other groups (Indians, civil service, low-rent housing) have been added, funds for military children have eroded. Currently, only 40 cents of every dollar appropriated for Impact Aid goes to funding for military children.

Up until 1970, the program was fully funded. Since then the program has faced severe cuts and is currently only funded at 60%, as defined by law.

Philosophy of Impact Aid

A large federal installation, while adding a great deal to the economic growth of a state, has a tremendous impact upon a local community. It means that a great deal of property and activity is removed from the local tax rolls which support public education. Therefore, the federal government acts as the local taxpayer through funding the Impact Aid program.

In a typical community, school taxes come from two sources: (1) the taxation on the property of private individuals (homes, autos, boats, and other personal property) and (2) the taxation of real or personal property used for business purposes. Studies have indicated that normally half of the taxes come from private property and half from business property.

For a student whose parent(s) is military and lives on the federal installation, the intent of Impact Aid is to totally match the local tax effort.

The most difficult Impact Aid payment to understand is the payment for a student whose parent(s) is military but does not live on the federal property. In this case, the school district still receives the tax on the home where the parent and student lives. The taxes on personal property--such as automobiles, boats, and mobile homes--are typically paid in their home state, as allowed under the Soldiers' and Sailors' Relief Act. The school district cannot tax the military base where the parent works. Neither can the school district tax property belonging to private industry which is located on the base if the military has exercised the right of exclusive jurisdiction. The Impact Aid payment for these students is intended to match the taxes lost as a result of the federal ownership of property, exclusive jurisdiction and the Soldiers' and Sailors' Relief Act.

Economic studies, which have been authorized by Congress, have always verified that the full rate for the military child living on base and the half rate for the military child living off base are fully justified. However, contrary to those studies, current funding for the "off-base" military child is only two-tenths of the "on-base" military child rate.

How are funds determined?

Revenue sharing for Impact Aid is determined by multiplying the number of "on base" military students and "off base" military students by the per pupil rate. The "off base" rate is 20% of the "on base" rate. The per pupil rate, of course, varies from state to state.

Impact Aid Appropriations

Fiscal Year	Total Impact Aid
1980	$822,000,000
1981	725,950,000
1982	456,800,000
1983	510,000,000
1984	585,000,000
1985	695,000,000
1986	682,722,000
1987	707,500,000
1988	708,476,000
1989	733,096,000
1990	732,352,000
1991	767,057,000
1992	771,698,000
1993	750,200,000
1994	798,100,000
1995	728,000,000
1996	693,000,000
1997	730,000,000
1998	808,000,000
1999	864,000,000
2000	906,500,000
2001	993,302,000
2002	1,143,500,000
2003	1,188,226,000
2004	1,229,526,739
2005	1,243,861,856
2006	1,228,453,380
2007	1,228,453,000
2008	1,240,718,000

If Impact Aid was funded at the original established levels, funding for FY 2007 would be:

Military Student living on base **(actual funding is $2,400)**	$3,500
Military Student living off base **(actual funding is $450)**	$1,750

Tax Support for a Typical School

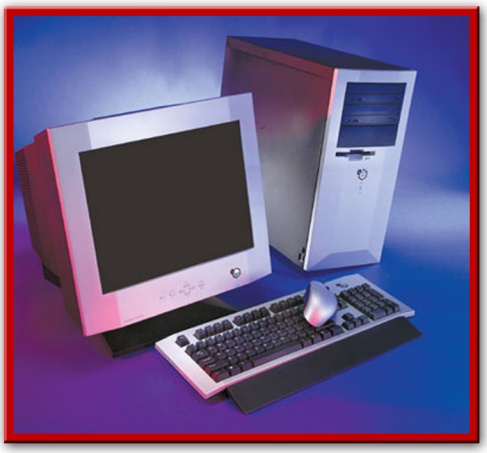
(50% private property: 50% business property)

Private Home

Personal Property

Education
IMPACT AID

Business Real
Property



Business Personal
Property

Student whose parent is in the military and lives on federal property

Non-Taxable
Military Housing

Non-Taxable
Personal Property

Education
IMPACT AID

Non-Taxable
Business Real Property

Non-Taxable
Business Personal Property

Student whose parent is in the military and lives in the community

Private Home

Non-Taxable
Personal Property

Education
IMPACT AID

Non-Taxable
Business Real Property

Non-Taxable
Business Personal Property

Recruit an Individual . . . Retain a Family

Quality of Life is an integral part of military readiness. The military can strengthen its recruitment and retention by focusing its efforts to support and partner with local military districts.

A study of recruits conducted by the Department of Defense found that 50 percent of today's military enlistees were former military dependents. Increasingly, military leaders are looking to the sons and daughters of today's noncommissioned and commissioned officers as their next generation of military personnel. Positive educational experiences in the lives of military children could have a dramatic impact on the military's efforts to "grow their own."

What Needs to Be Done?

School districts and communities should not have to continue to exist under a cloud of uncertainty. Quality education rests in part upon the ability to make long-term financial plans and commitments. State laws require contractual commitments to staff to be made months before Congress makes a final commitment on funds to be made available. A permanent solution needs to be found for funding Impact Aid. DoD needs to continue to be an active participant in the solution.

What can you do?

- promote understanding of the need for funding
- keep current on the program and its funding
- be an active advocate of the program
- communicate with local and state officials
- communicate with congressional leaders

National organizations that have taken a leadership position in support of Impact Aid and military children

Military Impacted Schools Association

National Military Family Association

National Association of Federally Impacted Schools

The Military Coalition

Air Force Association

Air Force Sergeants Association

Association of the United States Army

Fleet Reserve Association

Military Chaplains Association of the USA

Committee On Education Funding

If our nation wants to continue to recruit and retain the best and brightest to lead and defend our country, then schools serving military dependents must be guaranteed the financial resources to provide the best possible education . . .

. . . YOU can make it happen!

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Military Impacted Schools Association

Alabama:
Daleville City Board of Education (Ft. Rucker)

Arizona:
Fort Huachuca School District (Ft. Huachuca)

California:
Central Union School District (Lemoore NAS)
Fallbrook Union Elementary School District (Camp Pendleton)
Lemoore Union High School District (Lemoore NAS)
Muroc Joint Unified School District (Edwards AFB-AFMC)
Oceanside Unified School District (Camp Pendleton - Marine Corps)
Sierra Sands Unified School District (China Lake Naval Air Weapons Station)
Travis Unified School District (Travis AFB-AMC)
Wheatland School District (Beale AFB-ACC)

Colorado:
Fountain Fort Carson School District #8 (Ft. Carson, Air Force Academy)

Connecticut:
Groton Public Schools (Naval Submarine Base)

Georgia:
Camden County Schools (Kings Bay NSB)
Liberty County Board of Education (Ft. Stewart)

Hawaii:
Hawaii Public Schools

Idaho:
Mountain Home School District #193 (Mountain Home AFB-ACC)

Illinois:
Mascoutah Community Unit School District #19 (Scott AFB-AMC)
North Chicago Community Unit School District #187 (Great Lakes Naval Training Center)
O'Fallon Comm Cons SD #90 (Scott AFB - AMC)

Kansas:
Fort Leavenworth School District (Ft. Leavenworth)
Geary County Unified School District #475 (Ft. Riley)

Louisiana:
Vernon Parish School Board (Ft. Polk)

Missouri:
Knob Noster R-VIII Public Schools (Whiteman AFB-ACC)
Waynesville R-VI Public Schools (Ft. Leonard Wood)

Nebraska:
Bellevue Public Schools (Offutt AFB-ACC)

New Jersey:
Northern Burlington County Regional School District (McGuire AFB-AMC)
North Hanover School District (McGuire AFB-AMC)
Pemberton Township Public Schools (Ft. Dix, McGuire AFB-AMC)

New York:
Carthage Central School District (Ft. Drum)
Highland Falls School District (U.S. Military Academy)
Indian River Central School District (Ft. Drum)

North Carolina:
Onslow County Board of Education (Camp Lejeune)

North Dakota:
Grand Forks School District #1 (Grand Forks AFB-ACC)
Minot AFB Public School District #160 (Minot AFB-ACC)

Ohio:
Fairborn City School District (Wright-Patterson AFB)
Mad River Local School District (Wright-Patterson AFB)

Oklahoma:
Altus Public Schools (Altus AFB-AMC)
Lawton Public Schools (Ft. Sill)

Rhode Island:
Middletown Public Schools (Naval Education Training Center, Newport)

South Dakota:
Douglas Public Schools (Ellsworth AFB-ACC)

Tennessee:
Clarksville-Montgomery County School System (Ft. Campbell)

Texas:
Burkburnett Independent School District (Sheppard AFB-AETC)
Fort Sam Houston Independent School District (Ft. Sam Houston)
Killeen Independent School District (Ft. Hood)
Lackland Independent School District (Lackland AFB-AETC)
Randolph Field Independent School District (Randolph AFB-AETC)

Virginia:
Prince George County Public Schools (Ft. Lee, Federal Reformatory, National Military Park)
Virginia Beach City Public Schools (Norfolk Naval Base, Ft. Story, Dam Neck Naval, Oceana Naval Air Station, Little Creek Naval Amphibian Base)

Washington:
Central Kitsap School District #401 (Naval Base Kitsap)
Clover Park School District (Ft. Lewis, McChord AFB-AMC)
Medical Lake School District #326 (Fairchild AFB-ACC)
Oak Harbor School District #201 (Whidbey Island NAS)

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