Military Impacted Schools Association

Impact Aid...
...providing for the educational needs of military families
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 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.
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?

Payments are based on a formula that is based on half the national or state average per-pupil expenditure multiplied by a weight assigned to each type of federal student.
<table>
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<th>Fiscal Year</th>
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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

Education IMPACT AID

Non-Taxable Personal Property

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
Military Child Education Coalition
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!

Published by Military Impacted Schools Association
(800) 291-MISA

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

Arizona:
   Fort Huachuca School District (Ft. Huachuca)

California:
   Central Union School District (Lemoore NAS)
   Coronado Unified School District (North Island NAS)
   Fallbrook Union Elementary School District (Camp Pendleton)
   Lemoore Union High School District (Lemoore NAS)
   Oceanside Unified School District (Camp Pendleton - Marine Corps)
   Sierra Sands Unified School District (China Lake Naval Air Weapons Station)
   Silver Valley Unified School District (Ft. Irwin)
   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)

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

Hawaii:
   Hawaii Public Schools

Illinois:
   Mascoutah Community Unit School District #19 (Scott AFB-AMC)
   North Chicago Community Unit School District #187 (Great Lakes Naval Training Center)
   O’Fallon Township High School #203 (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)

Oklahoma:
   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:
   Burk Burnett Independent School District (Sheppard AFB-AETC)
   Copperas Cove Independent School District (Fort Hood
   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)
   Schertz-Cibolo-Universal City ISD (Randolph AFB, Lackland AFB, Ft. Sam Houston)

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:
   Bremerton Schools (Naval Base Kitsap)
   Central Kitsap School District #401 (Naval Base Kitsap)
   Medical Lake School District #326 (Fairchild AFB-ACC)