

# Every Student Succeeds Act Primer: Impact Aid



**Under the Every Student Succeeds Act (ESSA) of 2015, the Impact Aid Program has received an increase in authorized funding and removes barriers for schools to receive Impact Aid dollars.**

## **Timely Payments**

The ESSA includes a set of critical policy improvements to the new Title VII, Impact Aid Program which will improve the timeliness of payments to schools. These provisions include:

- Direct inclusion of “Timely Payments” language which ensures that the Department of Education finalizes Impact Aid payments to school districts in a timely manner.
- Making permanent a previously-enacted formula change to federal properties which reduce the subjectivity in the program and improved timeliness of payments.

## **Removal of Barriers**

Under the No Child Left Behind law, the “lockout” provision prevented eligible federally impacted school districts from accessing Impact Aid funding if they didn’t apply for funding within seven years of becoming eligible. This “lockout” provision was eliminated in the ESSA.

## **Basic Support Formula Improved**

The ESSA adjusts the Basic Support formula to ensure proration of funds when appropriations are sufficient to fully fund the Learning Opportunity Threshold (LOT) at 100-percent. This adjustment ensures that school districts with the greatest need – based on the community’s federal impact – will continue to receive a higher percentage of their Impact Aid entitlement.



## Greater Security in Funding

Schools that rely heavily on Impact Aid funding often face significant funding shortfalls for a variety of reasons, including significant student increases and lack of forward funding. The ESSA includes a new hold harmless provision and a current-year-student count to prevent significant funding cliffs.

## Increased Funding Levels

An across-the-board increased authorization for each of the five funding line items for the Impact Aid Program was included in the ESSA. The new authorized amount is \$100 million over Fiscal Year 2015 enacted levels.

For additional fact sheets about ESSA and Native communities, visit <http://niea.org/>.

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