

United States Senate

WASHINGTON, DC 20510

April 27, 2007

The Honorable Tom Harkin
Chairman
Labor-HHS Appropriations Subcommittee
United States Senate
Washington, D.C. 20510

The Honorable Arlen Specter
Ranking Member
Labor-HHS Appropriations Subcommittee
United States Senate
Washington, D.C. 20510

Dear Chairman Harkin and Ranking Member Specter:

As members of the Senate Impact Aid Coalition, we urge you to provide adequate funding for the Impact Aid Program for fiscal year 2008 to ensure all federally connected children receive a quality education.

As you know, the Impact Aid Program, one of the oldest education programs administered by the Department of Education, was created to assist local school districts that have lost property tax revenue due to the presence of tax-exempt Federal property, or that have experienced increased expenditures due to the enrollment of federally connected children, including Native American and military dependent children. Impact Aid currently provides funding to about 1,400 school districts across the country.

Unfortunately, funding for Impact Aid has been held flat for the last several years. Funding for basic support payments (Section 8003) has fallen well below what is needed and money is now being shifted away from necessary construction and facility maintenance projects to make up for the shortfall.

While we recognize that the Subcommittee has limited resources for many competing priorities, we respectfully request \$1.328 billion for the Impact Aid Program for FY 2008, as recommended in the recently adopted Senate Budget Resolution. This request would restore funding for the Impact Aid Program to the FY 2005 level and provide a small inflationary increase. Within this request, we recommend \$1.167 billion for Section 8003 (Basic Support), \$66.2 million for Section 8002 (Federal Properties) and \$52 million for Section 8003(d) (Disabilities). We also encourage the Subcommittee to restore funding for Section 8007 (Construction) and Section 8008 (Facilities) to the FY 2005 funding levels.

The Impact Aid Program is facing three new challenges: Global Rebasing, Army Modularization, and Base Realignment and Closure (BRAC). It is expected that these changes will result in as many as 40,000 more children who will need the support of the Impact Aid Program. If adequate funding is not provided for Impact Aid to address these new students, payments will drop for all school districts in the program, including Indian land school districts that are already struggling to meet Adequate Yearly Progress under the No Child Left Behind Act.

Thank you for your support for the Impact Aid Program and for your thoughtful consideration of our request.

Sincerely,

Ernest H. Dwyer

Chuck Hiler

Max Buccino

Mike Crayon

Robert A. Meluskey

John Z. Sauer

Kent Conrad

Jim Wolf

James Stein

John Comyns

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Maria Canham

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Doin Hatch