

WASHINGTON- Congressman Lee Terry (R-NE) has introduced the Fair Funding for Schools Act (HR 4540) which reauthorizes and improves Impact Aid, a program that provides essential funding to Bellevue Public Schools and other schools throughout the country. Congressman Terry wrote and negotiated the final language in the bill.

"This bill is vital to the Bellevue-Offutt community. Most of the students who benefit from Impact Aid are often from families serving in our military. We must continue to recognize the sacrifice our men and women in uniform make and provide their children with the best education possible," said Congressman Terry.

Impact Aid is a federal program that provides funding for a portion of the educational costs of federally-connected students. Impact Aid is an in-lieu-of tax program which requires the federal government paying to pay property taxes to a local school district due to a large federal presence in the district, such as 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.

"Impact Aid is a great program, but one that needs to be updated and simplified. This legislation will allow districts experiencing an influx of new military families to receive their Impact Aid dollars in a timely manner," said Congressman Terry.

Congressman Terry's re-authorization proposal addresses the recent influx of students in some districts due to recent military action. The Impact Aid dollar that should accompany new students in the district is often delayed by over a year. This proposal fixes that problem by allowing school districts to submit a current-year student count.

Another significant accomplishment in the reauthorization deals with the priority of districts that have a substantial federal presence. Since 1994, the Impact Aid program has prioritized those districts that are most affected by a federal presence. When the Impact Aid program is not fully

funded, as has been the case for many years, the dollars are distributed based upon a district's percentage of federally impacted children (i.e. military children, children living on Indian lands, on national parks, and in low-rent housing). Congressman Terry's proposal maintains this system.

And most importantly this reauthorization bill is the end result of over two years of research, working groups, and compromise. More than 90% of the members of the National Association of Federally Impacted Schools' - the organization representing these schools in Washington - support this reauthorization plan.

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Here is a copy of Congressman Terry's floor speech:

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Statement of Congressman Lee Terry

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In the House of Representatives



In Support of the Fair Funding for Schools Act



December 13, 2007





Madam Speaker, I rise today in support of the Fair Funding for Schools act, a law designed to build upon the important strides for local school districts that have been taken over the

past fifty-seven years
by the Impact Aid
program.

Because people
living on federal

property do not pay
local property taxes,
often do not pay
state income taxes,
and have the ability
to shop for groceries
and other
necessities at a base
PX that does not
charge sales tax,

local school districts are left without a funding source they otherwise would have. The Impact Aid Program is designed to replace the lost tax revenue that local school districts depend on

to provide a free public education to the communities they serve. Impact Aid has provided nearly \$25 million dollars in funding for schools throughout my district, and over \$1.2 billion for the

more than 1,400
school districts
currently receiving
Impact Aid funding.

Impact Aid is the
most efficient

education program because money is wired directly from the Department of Education to the school's bank accounts, avoiding administrative costs at the State level.

There are no strings attached to the money and local schools can use it in any way the school board sees fit. In the past this money has been used for such

necessities as
construction,
salaries and
supplies. As a
leading member
and co-chair of the
House Impact Aid
Coalition and the
father of children

receiving a public education, I understand the importance of this money to schools in my district and districts across the country.

The current
re-authorization
proposed by
Congresswoman
Hirono and me
makes an already
strong program

even stronger and
more efficient. Ou
r proposal
eliminates
duplicative
provisions that are
no longer
necessary,
corrects a major

error in the
previous
reauthorizations
allocation formula,
updates the law to
meet the
challenges of base
realignments and
troop deployments

currently faced by
this nation, and it
simplifies and
reforms a number
of provisions to the
law that ensures a
smooth road
ahead for school
districts that rely

on this money as
an integral part of
their budgets.

I would also like

to mention the
important
contributions to
this
reauthorization
made by
Congressman
Chet Edwards

and
Congressman
John Carter of
Texas . The
insight they
provided proved
to be invaluable
as we met with

people involved in
drafting our
proposal.

The suggestions
of Congressman
Carter and
Congressman

Edwards
strengthen this
reauthorization
and ensure that it
will meet the
needs of all the
school districts
affected by

Impact Aid.

The Congress
must continue to
recognize the
sacrifice our men
and women in
uniform make for
all of us and
provide their

children with the best education possible. The Fair Funding for Schools Act achieves that goal, in Nebraska,

Hawaii and every
other State in the
Union that
receives Impact
Aid dollars.

I urge my
colleagues to

join me in
supporting this
important
legislation.

Lee Terry

Member of
Congress

