

1 **TITLE VII—IMPACT AID**

2 **SEC. 7001. GENERAL PROVISIONS.**

3 (a) IMPACT AID IMPROVEMENT ACT OF 2012.—Sec-
4 tion 563(c) of National Defense Authorization Act for Fis-
5 cal Year 2013 (Public Law 112–239; 126 Stat. 1748; 20
6 U.S.C. 6301 note) (also known as the “Impact Aid Im-
7 provement Act of 2012”), as amended by section 563 of
8 division A of Public Law 113–291, is amended—

9 (1) by striking paragraphs (1) and (4); and

10 (2) by redesignating paragraphs (2) and (3), as
11 paragraphs (1) and (2), respectively.

12 (b) REPEAL.—Section 309 of division H of the Con-
13 solidated Appropriations Act, 2014 (Public Law 113–76;
14 20 U.S.C. 7702 note) is repealed.

15 (c) TITLE VII REDESIGNATIONS.—Title VIII (20
16 U.S.C. 7701 et seq.) is redesignated as title VII and fur-
17 ther amended—

18 (1) by redesignating sections 8001 through
19 8005 as sections 7001 through 7005, respectively;
20 and

21 (2) by redesignating sections 8007 through
22 8014 as sections 7007 through 7014, respectively.

1 (d) CONFORMING AMENDMENTS.—Title VII (as re-
2 designated by subsection (c) of this section) is further
3 amended—

4 (1) by striking “section 8002” each place it ap-
5 pears and inserting “section 7002”;

6 (2) by striking “section 8002(b)” each place it
7 appears and inserting “section 7002(b)”;

8 (3) by striking “section 8003” each place it ap-
9 pears and inserting “section 7003”;

10 (4) by striking “section 8003(a)” each place it
11 appears and inserting “section 7003(a)”;

12 (5) by striking “section 8003(a)(1)” each place
13 it appears and inserting “section 7003(a)(1)”;

14 (6) by striking “section 8003(a)(1)(C)” each
15 place it appears and inserting “section
16 7003(a)(1)(C)”;

17 (7) by striking “section 8003(a)(2)” each place
18 it appears and inserting “section 7003(a)(2)”;

19 (8) by striking “section 8003(b)” each place it
20 appears and inserting “section 7003(b)”;

21 (9) by striking “section 8003(b)(1)” each place
22 it appears and inserting “section 7003(b)(1)”;

23 (10) by striking “section 8003(b)(2)” each
24 place it appears and inserting “section 7003(b)(2)”;

1 (11) by striking “section 8014(a)” each place it
2 appears and inserting “section 7014(a)”;

3 (12) by striking “section 8014(b)” each place it
4 appears and inserting “section 7014(b)”;

5 (13) by striking “section 8014(e)” each place it
6 appears and inserting “section 7014(d)”.

7 **SEC. 7002. PURPOSE.**

8 Section 7001, as redesignated by section 7001 of this
9 Act, is amended in the matter preceding paragraph (1),
10 by striking “challenging State standards” and inserting
11 “the same challenging State academic standards”.

12 **SEC. 7003. PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.**

13 Section 7002, as redesignated and amended by section 7001 of this Act, is further amended—

14 (1) in subsection (a)(1)(C), by striking the matter preceding clause (i) and inserting the following:

15 “(C) had an assessed value according to
16 original records (including facsimiles or other
17 reproductions of those records) documenting
18 the assessed value of such property (determined
19 as of the time or times when so acquired) prepared by the local officials referred to in subsection (b)(3) or, when such original records
20 are not available due to unintentional destruc-

1 tion (such as natural disaster, fire, flooding,
2 pest infestation, or deterioration due to age),
3 other records, including Federal agency records,
4 local historical records, or other records that
5 the Secretary determines to be appropriate and
6 reliable, aggregating 10 percent or more of the
7 assessed value of—”;

8 (2) in subsection (b)—

9 (A) in paragraph (1)(C) by striking “sec-
10 tion 8003(b)(1)(C)” and inserting “section
11 7003(b)(1)(C)”;

12 (B) in paragraph (3), by striking subpara-
13 graph (B) and inserting the following:

14 “(B) SPECIAL RULE.—In the case of Fed-
15 eral property eligible under this section that is
16 within the boundaries of 2 or more local edu-
17 cational agencies that are eligible under this
18 section, any of such agencies may ask the Sec-
19 retary to calculate (and the Secretary shall cal-
20 culate) the taxable value of the eligible Federal
21 property that is within its boundaries by—

22 “(i) first calculating the per-acre
23 value of the eligible Federal property sepa-
24 rately for each eligible local educational

1 agency that shared the Federal property,
2 as provided in subparagraph (A)(ii);

3 “(ii) then averaging the resulting per-
4 acre values of the eligible Federal property
5 from each eligible local educational agency
6 that shares the Federal property; and

7 “(iii) then applying the average per-
8 acre value to determine the total taxable
9 value of the eligible Federal property under
10 subparagraph (A)(iii) for the requesting
11 local educational agency.”;

12 (3) in subsection (e)(2), by adding at the end
13 the following: “For each fiscal year beginning on or
14 after the date of enactment of the Every Student
15 Succeeds Act, the Secretary shall treat local edu-
16 cational agencies chartered in 1871 having more
17 than 70 percent of the county in Federal ownership
18 as meeting the eligibility requirements of subpara-
19 graphs (A) and (C) of subsection (a)(1).”;

20 (4) by striking subsection (f) and inserting the
21 following:

22 “(f) SPECIAL RULE.—For each fiscal year beginning
23 on or after the date of enactment of the Every Student
24 Succeeds Act, a local educational agency shall be deemed
25 to meet the requirements of subsection (a)(1)(C) if the

1 agency was eligible under paragraph (1) or (3) of section
2 8002(f) as such section was in effect on the day before
3 the date of enactment of the Every Student Succeeds
4 Act.”;

5 (5) by striking subsection (g) and inserting the
6 following:

7 “(g) FORMER DISTRICTS.—

8 “(1) CONSOLIDATIONS.—For fiscal year 2006
9 and each succeeding fiscal year, if a local edu-
10 cational agency described in paragraph (2) is formed
11 at any time after 1938 by the consolidation of 2 or
12 more former school districts, the local educational
13 agency may elect to have the Secretary determine its
14 eligibility for assistance under this section for any
15 fiscal year on the basis of 1 or more of those former
16 districts, as designated by the local educational
17 agency.

18 “(2) ELIGIBLE LOCAL EDUCATIONAL AGEN-
19 CIES.—A local educational agency referred to in
20 paragraph (1) is—

21 “(A) any local educational agency that, for
22 fiscal year 1994 or any preceding fiscal year,
23 applied, and was determined to be eligible
24 under, section 2(c) of the Act of September 30,

1 1950 (Public Law 874, 81st Congress) as that
2 section was in effect for that fiscal year; or

3 “(B) a local educational agency—

4 “(i) that was formed by the consolida-
5 tion of 2 or more districts, at least 1 of
6 which was eligible for assistance under this
7 section for the fiscal year preceding the
8 year of the consolidation; and

9 “(ii) which includes the designation
10 referred to in paragraph (1) in its applica-
11 tion under section 7005 for a fiscal year
12 beginning on or after the date of enact-
13 ment of the Every Student Succeeds Act
14 or any timely amendment to such applica-
15 tion.

16 “(3) AMOUNT.—A local educational agency eli-
17 gible under paragraph (1) shall receive a foundation
18 payment as provided for under subparagraphs (A)
19 and (B) of subsection (h)(1), except that the founda-
20 tion payment shall be calculated based on the most
21 recent payment received by the local educational
22 agency based on its status prior to consolidation.”;

23 (6) in subsection (h)(4), by striking “For each
24 local educational agency that received a payment
25 under this section for fiscal year 2010 through the

1 fiscal year in which the Impact Aid Improvement
2 Act of 2012 is enacted” and inserting “For each
3 local educational agency that received a payment
4 under this section for fiscal year 2010 or any suc-
5 ceeding fiscal year”;

6 (7) by repealing subsections (k) and (m);

7 (8) by redesignating subsection (l) as subsection
8 (j);

9 (9) in subsection (j) (as redesignated by para-
10 graph (8)), by striking “(h)(4)(B)” and inserting
11 “(h)(2)”;

12 (10) by redesignating subsection (n) as sub-
13 section (k); and

14 (11) in subsection (k)(1) (as redesignated by
15 paragraph (10)), by striking “section
16 8013(5)(C)(iii)” and inserting “section
17 7013(5)(C)(iii)”.

18 **SEC. 7004. PAYMENTS FOR ELIGIBLE FEDERALLY CON-**
19 **NECTED CHILDREN.**

20 Section 7003, as redesignated and amended by sec-
21 tion 7001 of this Act, is further amended—

22 (1) in subsection (a)(5)(A), by striking “to be
23 children” and all that follows through the period at
24 the end and inserting “or under lease of off-base
25 property under subchapter IV of chapter 169 of title

1 10, United States Code, to be children described
2 under paragraph (1)(B), if the property described
3 is—

4 “(i) within the fenced security perim-
5 eter of the military facility; or

6 “(ii) attached to, and under any type
7 of force protection agreement with, the
8 military installation upon which such hous-
9 ing is situated.”;

10 (2) in subsection (b)—

11 (A) in paragraph (1)—

12 (i) by striking subparagraph (E); and

13 (ii) by redesignating subparagraphs
14 (F) and (G) as subparagraphs (E) and
15 (F), respectively;

16 (B) in paragraph (2), by striking subpara-
17 graphs (B) through (H) and inserting the fol-
18 lowing:

19 “(B) ELIGIBILITY FOR HEAVILY IMPACTED
20 LOCAL EDUCATIONAL AGENCIES.—

21 “(i) IN GENERAL.—A heavily im-
22 pacted local educational agency is eligible
23 to receive a basic support payment under
24 subparagraph (A) with respect to a num-

1 ber of children determined under sub-
2 section (a)(1) if the agency—

3 “(I) is a local educational agen-
4 cy—

5 “(aa) whose boundaries are
6 the same as a Federal military
7 installation or an island property
8 designated by the Secretary of
9 the Interior to be property that is
10 held in trust by the Federal Gov-
11 ernment; and

12 “(bb) that has no taxing au-
13 thority;

14 “(II) is a local educational agen-
15 cy that—

16 “(aa) has an enrollment of
17 children described in subsection
18 (a)(1) that constitutes a percent-
19 age of the total student enroll-
20 ment of the agency that is not
21 less than 45 percent;

22 “(bb) has a per-pupil ex-
23 penditure that is less than—

24 “(AA) for an agency
25 that has a total student en-

1 rollment of 500 or more stu-
2 dents, 125 percent of the av-
3 erage per-pupil expenditure
4 of the State in which the
5 agency is located; or

6 “(BB) for any agency
7 that has a total student en-
8 rollment of less than 500
9 students, 150 percent of the
10 average per-pupil expendi-
11 ture of the State in which
12 the agency is located or the
13 average per-pupil expendi-
14 ture of 3 or more com-
15 parable local educational
16 agencies in the State in
17 which the agency is located;
18 and

19 “(cc) is an agency that has
20 a tax rate for general fund pur-
21 poses that is not less than 95
22 percent of the average tax rate
23 for general fund purposes of
24 comparable local educational
25 agencies in the State;

1 “(III) is a local educational agen-
2 cy that—

3 “(aa) has a tax rate for gen-
4 eral fund purposes which is not
5 less than 125 percent of the aver-
6 age tax rate for general fund
7 purposes for comparable local
8 educational agencies in the State;
9 and

10 “(bb)(AA) has an enrollment
11 of children described in sub-
12 section (a)(1) that constitutes a
13 percentage of the total student
14 enrollment of the agency that is
15 not less than 30 percent; or

16 “(BB) has an enrollment of
17 children described in subsection
18 (a)(1) that constitutes a percent-
19 age of the total student enroll-
20 ment of the agency that is not
21 less than 20 percent, and for the
22 3 fiscal years preceding the fiscal
23 year for which the determination
24 is made, the average enrollment
25 of children who are not described

1 in subsection (a)(1) and who are
2 eligible for a free or reduced
3 price lunch under the Richard B.
4 Russell National School Lunch
5 Act constitutes a percentage of
6 the total student enrollment of
7 the agency that is not less than
8 65 percent;

9 “(IV) is a local educational agen-
10 cy that has a total student enrollment
11 of not less than 25,000 students, of
12 which—

13 “(aa) not less than 50 per-
14 cent are children described in
15 subsection (a)(1); and

16 “(bb) not less than 5,000 of
17 such children are children de-
18 scribed in subparagraphs (A) and
19 (B) of subsection (a)(1); or

20 “(V) is a local educational agency
21 that—

22 “(aa) has an enrollment of
23 children described in subsection
24 (a)(1) including, for purposes of
25 determining eligibility, those chil-

1 dren described in subparagraphs
2 (F) and (G) of such subsection,
3 that is not less than 35 percent
4 of the total student enrollment of
5 the agency;

6 “(bb) has a per-pupil ex-
7 penditure described in subclause
8 (II)(bb) (except that a local edu-
9 cational agency with a total stu-
10 dent enrollment of less than 350
11 students shall be deemed to have
12 satisfied such per-pupil expendi-
13 ture requirement) and has a tax
14 rate for general fund purposes
15 which is not less than 95 percent
16 of the average tax rate for gen-
17 eral fund purposes for com-
18 parable local educational agencies
19 in the State; and

20 “(cc) was eligible to receive
21 assistance under subparagraph
22 (A) for fiscal year 2001.

23 “(ii) LOSS OF ELIGIBILITY.—

24 “(I) IN GENERAL.—Subject to
25 subclause (II), a heavily impacted

1 local educational agency that met the
2 requirements of clause (i) for a fiscal
3 year shall be ineligible to receive a
4 basic support payment under subpara-
5 graph (A) if the agency fails to meet
6 the requirements of clause (i) for a
7 subsequent fiscal year, except that
8 such agency shall continue to receive
9 a basic support payment under this
10 paragraph for the fiscal year for
11 which the ineligibility determination is
12 made.

13 “(II) LOSS OF ELIGIBILITY DUE
14 TO FALLING BELOW 95 PERCENT OF
15 THE AVERAGE TAX RATE FOR GEN-
16 ERAL FUND PURPOSES.—In the case
17 of a heavily impacted local educational
18 agency described in subclause (II) or
19 (V) of clause (i) that is eligible to re-
20 ceive a basic support payment under
21 subparagraph (A), but that has had,
22 for 2 consecutive fiscal years, a tax
23 rate for general fund purposes that
24 falls below 95 percent of the average
25 tax rate for general fund purposes of

1 comparable local educational agencies
2 in the State, such agency shall be de-
3 termined to be ineligible under clause
4 (i) and ineligible to receive a basic
5 support payment under subparagraph
6 (A) for each fiscal year succeeding
7 such 2 consecutive fiscal years for
8 which the agency has such a tax rate
9 for general fund purposes, and until
10 the fiscal year for which the agency
11 resumes such eligibility in accordance
12 with clause (iii).

13 “(III) TAKEN OVER BY STATE
14 BOARD OF EDUCATION.—In the case
15 of a heavily impacted local educational
16 agency that is eligible to receive a
17 basic support payment under subpara-
18 graph (A), but that has been taken
19 over by a State board of education in
20 any 2 previous years, such agency
21 shall be deemed to maintain heavily
22 impacted status for 2 fiscal years fol-
23 lowing the date of enactment of the
24 Every Student Succeeds Act.

1 “(iii) RESUMPTION OF ELIGIBILITY.—
2 A heavily impacted local educational agen-
3 cy described in clause (i) that becomes in-
4 eligible under such clause for 1 or more
5 fiscal years may resume eligibility for a
6 basic support payment under this para-
7 graph for a subsequent fiscal year only if
8 the agency meets the requirements of
9 clause (i) for that subsequent fiscal year,
10 except that such agency shall not receive a
11 basic support payment under this para-
12 graph until the fiscal year succeeding the
13 fiscal year for which the eligibility deter-
14 mination is made.

15 “(C) MAXIMUM AMOUNT FOR HEAVILY IM-
16 PACTED LOCAL EDUCATIONAL AGENCIES.—

17 “(i) IN GENERAL.—Except as pro-
18 vided in subparagraph (D), the maximum
19 amount that a heavily impacted local edu-
20 cational agency is eligible to receive under
21 this paragraph for any fiscal year is the
22 sum of the total weighted student units, as
23 computed under subsection (a)(2) and sub-
24 ject to clause (ii), multiplied by the greater
25 of—

1 “(I) four-fifths of the average
2 per-pupil expenditure of the State in
3 which the local educational agency is
4 located for the third fiscal year pre-
5 ceding the fiscal year for which the
6 determination is made; or

7 “(II) four-fifths of the average
8 per-pupil expenditure of all of the
9 States for the third fiscal year pre-
10 ceding the fiscal year for which the
11 determination is made.

12 “(ii) CALCULATION OF WEIGHTED
13 STUDENT UNITS.—

14 “(I) IN GENERAL.—

15 “(aa) PERCENTAGE EN-
16 ROLLMENT.—For a local edu-
17 cational agency in which 35 per-
18 cent or more of the total student
19 enrollment of the schools of the
20 agency are children described in
21 subparagraph (D) or (E) (or a
22 combination thereof) of sub-
23 section (a)(1), and that has an
24 enrollment of children described
25 in subparagraph (A), (B), or (C)

1 of such subsection equal to at
2 least 10 percent of the agency's
3 total enrollment, the Secretary
4 shall calculate the weighted stu-
5 dent units of those children de-
6 scribed in subparagraph (D) or
7 (E) of such subsection by multi-
8 plying the number of such chil-
9 dren by a factor of 0.55.

10 “(bb) EXCEPTION.—Not-
11 withstanding item (aa), a local
12 educational agency that received
13 a payment under this paragraph
14 for fiscal year 2013 shall not be
15 required to have an enrollment of
16 children described in subpara-
17 graph (A), (B), or (C) of sub-
18 section (a)(1) equal to at least 10
19 percent of the agency's total en-
20 rollment and shall be eligible for
21 the student weight as provided
22 for in item (aa).

23 “(II) ENROLLMENT OF 100 OR
24 FEWER CHILDREN.—For a local edu-
25 cational agency that has an enroll-

1 ment of 100 or fewer children de-
2 scribed in subsection (a)(1), the Sec-
3 retary shall calculate the total number
4 of weighted student units for purposes
5 of subsection (a)(2) by multiplying the
6 number of such children by a factor of
7 1.75.

8 “(III) ENROLLMENT OF MORE
9 THAN 100 CHILDREN BUT LESS THAN
10 1000.—For a local educational agency
11 that is not described under subpara-
12 graph (B)(i)(I) and has an enrollment
13 of more than 100 but not more than
14 1,000 children described in subsection
15 (a)(1), the Secretary shall calculate
16 the total number of weighted student
17 units for purposes of subsection (a)(2)
18 by multiplying the number of such
19 children by a factor of 1.25.

20 “(D) MAXIMUM AMOUNT FOR LARGE
21 HEAVILY IMPACTED LOCAL EDUCATIONAL
22 AGENCIES.—

23 “(i) IN GENERAL.—

24 “(I) FORMULA.—Subject to
25 clause (ii), the maximum amount that

1 a heavily impacted local educational
2 agency described in subclause (II) is
3 eligible to receive under this para-
4 graph for any fiscal year shall be de-
5 termined in accordance with the for-
6 mula described in paragraph (1)(C).

7 “(II) HEAVILY IMPACTED LOCAL
8 EDUCATIONAL AGENCY.—A heavily
9 impacted local educational agency de-
10 scribed in this subclause is a local
11 educational agency that has a total
12 student enrollment of not less than
13 25,000 students, of which not less
14 than 50 percent are children described
15 in subsection (a)(1) and not less than
16 5,000 of such children are children
17 described in subparagraphs (A) and
18 (B) of subsection (a)(1).

19 “(ii) FACTOR.—For purposes of calcu-
20 lating the maximum amount described in
21 clause (i), the factor used in determining
22 the weighted student units under sub-
23 section (a)(2) with respect to children de-
24 scribed in subparagraphs (A) and (B) of
25 subsection (a)(1) shall be 1.35.

1 “(E) DATA.—For purposes of providing
2 assistance under this paragraph, the Secretary
3 shall use student, revenue, expenditure, and tax
4 data from the third fiscal year preceding the
5 fiscal year for which the local educational agen-
6 cy is applying for assistance under this para-
7 graph.

8 “(F) DETERMINATION OF AVERAGE TAX
9 RATES FOR GENERAL FUND PURPOSES.—

10 “(i) IN GENERAL.—Except as pro-
11 vided in clause (ii), for the purpose of de-
12 termining the average tax rates for general
13 fund purposes for local educational agen-
14 cies in a State under this paragraph, the
15 Secretary shall use either—

16 “(I) the average tax rate for gen-
17 eral fund purposes for comparable
18 local educational agencies, as deter-
19 mined by the Secretary in regulations;
20 or

21 “(II) the average tax rate of all
22 the local educational agencies in the
23 State.

24 “(ii) FISCAL YEARS 2010–2015.—

1 “(I) IN GENERAL.—For fiscal
2 years 2010 through 2015, any local
3 educational agency that was found in-
4 eligible to receive a payment under
5 subparagraph (A) because the Sec-
6 retary determined that it failed to
7 meet the average tax rate requirement
8 for general fund purposes in subpara-
9 graph (B)(i)(II)(cc), shall be consid-
10 ered to have met that requirement, if
11 its State determined, through an al-
12 ternate calculation of average tax
13 rates for general fund purposes, that
14 such local educational agency met
15 that requirement.

16 “(II) SUBSEQUENT FISCAL
17 YEARS AFTER 2015.—For any suc-
18 ceeding fiscal year after 2015, any
19 local educational agency identified in
20 subclause (I) may continue to have its
21 State use that alternate methodology
22 to calculate whether the average tax
23 rate requirement for general fund
24 purposes under subparagraph
25 (B)(i)(II)(cc) is met.

1 “(III) AVAILABILITY OF
2 FUNDS.—Notwithstanding any other
3 provision of law limiting the period
4 during which the Secretary may obli-
5 gate funds appropriated for any fiscal
6 year after 2012, the Secretary shall
7 reserve a total of \$14,000,000 from
8 funds that remain unobligated under
9 this section from fiscal years 2015 or
10 2016 in order to make payments
11 under this clause for fiscal years 2011
12 through 2014.

13 “(G) ELIGIBILITY FOR HEAVILY IMPACTED
14 LOCAL EDUCATIONAL AGENCIES AFFECTED BY
15 PRIVATIZATION OF MILITARY HOUSING.—

16 “(i) ELIGIBILITY.—For any fiscal
17 year, a heavily impacted local educational
18 agency that received a basic support pay-
19 ment under this paragraph for the prior
20 fiscal year, but is ineligible for such pay-
21 ment for the current fiscal year under sub-
22 paragraph (B) due to the conversion of
23 military housing units to private housing
24 described in clause (iii), or as the direct re-
25 sult of base realignment and closure or

1 modularization as determined by the Sec-
2 retary of Defense and force structure
3 change or force relocation, shall be deemed
4 to meet the eligibility requirements under
5 subparagraph (B) for the period during
6 which the housing units are undergoing
7 such conversion or during such time as ac-
8 tivities associated with base closure and re-
9 alignment, modularization, force structure
10 change, or force relocation are ongoing.

11 “(ii) AMOUNT OF PAYMENT.—The
12 amount of a payment to a heavily impacted
13 local educational agency for a fiscal year
14 by reason of the application of clause (i),
15 and calculated in accordance with subpara-
16 graph (C) or (D), as the case may be, shall
17 be based on the number of children in av-
18 erage daily attendance in the schools of
19 such agency for the fiscal year and under
20 the same provisions of subparagraph (C)
21 or (D) under which the agency was paid
22 during the prior fiscal year.

23 “(iii) CONVERSION OF MILITARY
24 HOUSING UNITS TO PRIVATE HOUSING DE-
25 SCRIBED.—For purposes of clause (i),

1 ‘conversion of military housing units to
2 private housing’ means the conversion of
3 military housing units to private housing
4 units pursuant to subchapter IV of chapter
5 169 of title 10, United States Code, or
6 pursuant to any other related provision of
7 law.”;

8 (C) in paragraph (3)—

9 (i) in subparagraph (B), by striking
10 clause (iii) and inserting the following:

11 “(iii) In the case of a local educational
12 agency providing a free public education to stu-
13 dents enrolled in kindergarten through grade
14 12, that enrolls students described in subpara-
15 graphs (A), (B), and (D) of subsection (a)(1)
16 only in grades 9 through 12, and that received
17 a final payment for fiscal year 2009 calculated
18 under section 8003(b)(3) (as such section was
19 in effect on the day before the date of enact-
20 ment of the Every Student Succeeds Act) for
21 students in grades 9 through 12, the Secretary
22 shall, in calculating the agency’s payment, con-
23 sider only that portion of such agency’s total
24 enrollment of students in grades 9 through 12
25 when calculating the percentage under clause

1 (i)(I) and only that portion of the total current
2 expenditures attributed to the operation of
3 grades 9 through 12 in such agency when cal-
4 culating the percentage under clause (i)(II).”;

5 (ii) in subparagraph (C), by striking
6 “subparagraph (D) or (E) of paragraph
7 (2), as the case may be” and inserting
8 “subparagraph (C) or (D) of paragraph
9 (2), as the case may be”; and

10 (iii) by striking subparagraph (D) and
11 inserting the following:

12 “(D) RATABLE DISTRIBUTION.—For fiscal
13 years described in subparagraph (A), for which
14 the sums available exceed the amount required
15 to pay each local educational agency 100 per-
16 cent of its threshold payment, the Secretary
17 shall distribute the excess sums to each eligible
18 local educational agency that has not received
19 its full amount computed under paragraphs (1)
20 or (2) (as the case may be) by multiplying—

21 “(i) a percentage, the denominator of
22 which is the difference between the full
23 amount computed under paragraph (1) or
24 (2) (as the case may be) for all local edu-
25 cational agencies and the amount of the

1 threshold payment (as calculated under
2 subparagraphs (B) and (C)) of all local
3 educational agencies, and the numerator of
4 which is the aggregate of the excess sums,
5 by

6 “(ii) the difference between the full
7 amount computed under paragraph (1) or
8 (2) (as the case may be) for the agency
9 and the amount of the threshold payment
10 (as calculated under subparagraphs (B) or
11 (C)) of the agency, except that no local
12 educational agency shall receive more than
13 100 percent of the maximum payment cal-
14 culated under subparagraph (C) or (D) of
15 paragraph (2).

16 “(E) INSUFFICIENT PAYMENTS.—For each
17 fiscal year described in subparagraph (A) for
18 which the sums appropriated are insufficient to
19 pay each local educational agency all of the
20 local educational agency’s threshold payment
21 described in subparagraph (B), the Secretary
22 shall ratably reduce the payment to each local
23 educational agency under this paragraph.

24 “(F) INCREASES.—

1 “(i) INCREASES BASED ON INSUFFI-
2 CIENT FUNDS.—If additional funds become
3 available under 7014(b) for making pay-
4 ments under paragraphs (1) and (2) and
5 those funds are not sufficient to increase
6 each local educational agency’s threshold
7 payment above 100 percent of its threshold
8 payment described in subparagraph (B),
9 payments that were reduced under sub-
10 paragraph (E) shall be increased by the
11 Secretary on the same basis as such pay-
12 ments were reduced.

13 “(ii) INCREASES BASED ON SUFFI-
14 CIENT FUNDS.—If additional funds become
15 available under section 7014(b) for making
16 payments under paragraphs (1) and (2)
17 and those funds are sufficient to increase
18 each local educational agency’s threshold
19 payment above 100 percent of its threshold
20 payment described in subparagraph (B),
21 the payment for each local educational
22 agency shall be 100 percent of its thresh-
23 old payment. The Secretary shall then dis-
24 tribute the excess sums to each eligible

1 local educational agency in accordance with
2 subparagraph (D).

3 “(G) PROVISION OF TAX RATE AND RE-
4 SULTING PERCENTAGE.—As soon as practicable
5 following the payment of funds under para-
6 graph (2) to an eligible local educational agen-
7 cy, the Secretary shall provide the local edu-
8 cational agency with a description of—

9 “(i) the tax rate of the local edu-
10 cational agency; and

11 “(ii) the percentage such tax rate rep-
12 resents of the average tax rate for general
13 fund purposes of comparable local edu-
14 cational agencies in the State as deter-
15 mined under subclauses (II)(cc), III(aa),
16 or (V)(bb) of paragraph (2)(B)(i) (as the
17 case may be).”; and

18 (D) in paragraph (4)—

19 (i) in subparagraph (A), by striking
20 “through (D)” and inserting “and (C)”;
21 and

22 (ii) in subparagraph (B), by striking
23 “subparagraph (D) or (E)” and inserting
24 “subparagraph (C) or (D)”;

1 (3) in subsection (c), by striking paragraph (2)
2 and inserting the following:

3 “(2) EXCEPTION.—Calculation of payments for
4 a local educational agency shall be based on data
5 from the fiscal year for which the agency is making
6 an application for payment if such agency—

7 “(A) is newly established by a State, for
8 the first year of operation of such agency only;

9 “(B) was eligible to receive a payment
10 under this section for the previous fiscal year
11 and has had an overall increase in enrollment
12 (as determined by the Secretary in consultation
13 with the Secretary of Defense, the Secretary of
14 the Interior, or the heads of other Federal
15 agencies)—

16 “(i)(I) of not less than 10 percent of
17 children described in—

18 “(aa) subparagraph (A),
19 (B), (C), or (D) of subsection
20 (a)(1); or

21 “(bb) subparagraphs (F)
22 and (G) of subsection (a)(1), but
23 only to the extent that such chil-
24 dren are civilian dependents of
25 employees of the Department of

1 Defense or the Department of
2 the Interior; or

3 “(II) of not less than 100 of such
4 children; and

5 “(ii) that is the direct result of closure
6 or realignment of military installations
7 under the base closure process or the relo-
8 cation of members of the Armed Forces
9 and civilian employees of the Department
10 of Defense as part of the force structure
11 changes or movements of units or per-
12 sonnel between military installations or be-
13 cause of actions initiated by the Secretary
14 of the Interior or the head of another Fed-
15 eral agency; or

16 “(C) was eligible to receive a payment
17 under this section for the previous fiscal year
18 and has had an increase in enrollment (as de-
19 termined by the Secretary)—

20 “(i) of not less than 10 percent of
21 children described in subsection (a)(1) or
22 not less than 100 of such children; and

23 “(ii) that is the direct result of the
24 closure of a local educational agency that

1 received a payment under subsection (b)(1)
2 or (b)(2) for the previous fiscal year.”;

3 (4) in subsection (d)(1), by striking “section
4 8014(e)” and inserting “section 7014(c)”;

5 (5) in subsection (e)—

6 (A) by redesignating paragraph (3) as
7 paragraph (4);

8 (B) by striking paragraphs (1) and (2) and
9 inserting the following:

10 “(1) IN GENERAL.—In the case of any local
11 educational agency eligible to receive a payment
12 under subsection (b) whose calculated payment
13 amount for a fiscal year is reduced by 20 percent,
14 as compared to the amount received for the previous
15 fiscal year, the Secretary shall pay the local edu-
16 cational agency, for the year of the reduction and
17 the following 2 years, the amount determined under
18 paragraph (2).

19 “(2) AMOUNT OF REDUCTION.—Subject to
20 paragraph (3), A local educational agency described
21 in paragraph (1) shall receive—

22 “(A) for the first year for which the re-
23 duced payment is determined, an amount that
24 is not less than 90 percent of the total amount

1 that the local educational agency received under
2 subsection (b) for the previous fiscal year;

3 “(B) for the second year following such re-
4 duction, an amount that is not less than 85
5 percent of the total amount that the local edu-
6 cational agency received under subparagraph
7 (A); and

8 “(C) for the third year following such re-
9 duction, an amount that is not less than 80
10 percent of the total amount that the local edu-
11 cational agency received under subparagraph
12 (B).

13 “(3) SPECIAL RULE.—For any fiscal year for
14 which a local educational agency would receive a
15 payment under subsection (b) in excess of the
16 amount determined under paragraph (2), the pay-
17 ment received by the local educational agency for
18 such fiscal year shall be calculated under paragraph
19 (1) or (2) of subsection (b).”; and

20 (6) by striking subsection (g).

21 **SEC. 7005. POLICIES AND PROCEDURES RELATING TO**
22 **CHILDREN RESIDING ON INDIAN LANDS.**

23 Section 7004(e)(9), as redesignated and amended by
24 section 7001 of this Act, is further amended by striking

1 “Affairs” both places the term appears and inserting
2 “Education”.

3 **SEC. 7006. APPLICATION FOR PAYMENTS UNDER SECTIONS**
4 **7002 AND 7003.**

5 Section 7005, as redesignated and amended by sec-
6 tion 7001 of this Act, is further amended—

7 (1) in the section heading, by striking “**8002**
8 **AND 8003**” and inserting “**7002 AND 7003**”;

9 (2) by striking “or 8003” each place it appears
10 and inserting “or 7003”;

11 (3) in subsection (b)—

12 (A) in the matter preceding paragraph (1),
13 by striking “, and shall contain such informa-
14 tion,”; and

15 (B) by striking “section 8004” and insert-
16 ing “section 7004”; and

17 (4) in subsection (d)(2), by striking “section
18 8003(e)” and inserting “section 7003(e)”;

19 **SEC. 7007. CONSTRUCTION.**

20 Section 7007, as redesignated and amended by sec-
21 tion 7001 of this Act, is further amended—

22 (1) in subsection (a)—

23 (A) in paragraph (3)(A)(i)—

24 (i) by redesignating the first subclause

25 (II) as subclause (I);

1 (ii) in subclause (II), by striking “sec-
2 tion 8008(a)” and inserting “section
3 7008(a)”;

4 (B) in paragraph (4), by striking “section
5 8013(3)” and inserting “section 7013(3)”;

6 (2) in subsection (b)—

7 (A) in paragraph (3)(C)(i)(I), by adding at
8 the end the following:

9 “(cc) Not less than 10 percent of
10 the property acreage in the agency is
11 exempt from State and local taxation
12 under Federal law.”;

13 (B) in paragraph (6)—

14 (i) in the matter preceding subpara-
15 graph (A), by striking “, in such manner,
16 and accompanied by such information”
17 and inserting “and in such manner”;

18 (ii) in subparagraph (A), by inserting
19 before the period at the end the following:
20 “, and containing such additional informa-
21 tion as may be necessary to meet any
22 award criteria for a grant under this sub-
23 section as provided by any other Act”;

24 (iii) by striking subparagraph (F).

1 **SEC. 7008. FACILITIES.**

2 Section 7008(a), as redesignated by section 7001 of
3 this Act, is amended by striking “section 8014(f)” and
4 inserting “section 7014(e)”.

5 **SEC. 7009. STATE CONSIDERATION OF PAYMENTS IN PRO-**
6 **VIDING STATE AID.**

7 Section 7009, as redesignated and amended by sec-
8 tion 7001 of this Act, is further amended—

9 (1) by striking “section 8011(a)” each place it
10 appears and inserting “section 7011(a)”;

11 (2) in subsection (b)(1)—

12 (A) by striking “or 8003(b)” and inserting
13 “or 7003(b)”;

14 (B) by striking “section 8003(a)(2)(B)”
15 and inserting “section 7003(a)(2)(B)”;

16 (3) in subsection (c)(1)(B), by striking “and
17 contain the information” and inserting “that” after
18 “form”.

19 **SEC. 7010. FEDERAL ADMINISTRATION.**

20 Section 7010, as redesignated and amended by sec-
21 tion 7001 of this Act, is further amended—

22 (1) in subsection (c)—

23 (A) in paragraph (1), in the paragraph
24 heading, by striking “8003(a)(1)” and inserting
25 “7003(a)(1)”;

1 (B) in paragraph (2)(D), by striking “sec-
2 tion 8009(b)” and inserting “section 7009(b”;
3 and

4 (2) in subsection (d)(2), by striking “section
5 8014” and inserting “section 7014”.

6 **SEC. 7011. ADMINISTRATIVE HEARINGS AND JUDICIAL RE-
7 VIEW.**

8 Section 7011(a), as redesignated by section 7001 of
9 this Act, is amended by striking “or under the Act” and
10 all that follows through “1994”).

11 **SEC. 7012. DEFINITIONS.**

12 Section 7013, as redesignated by section 7001 of this
13 Act, is amended—

14 (1) in paragraph (1), by striking “and Marine
15 Corps” and inserting “Marine Corps, and Coast
16 Guard”;

17 (2) in paragraph (4), by striking “and title VI”;

18 (3) in paragraph (5)(A)—

19 (A) in clause (ii), by striking subclause
20 (III) and inserting the following:

21 “(III) conveyed at any time
22 under the Alaska Native Claims Set-
23 tlement Act to a Native individual,
24 Native group, or village or regional
25 corporation (including single family

1 occupancy properties that may have
2 been subsequently sold or leased to a
3 third party), except that property that
4 is conveyed under such Act—

5 “(aa) that is not taxed is,
6 for the purposes of this para-
7 graph, considered tax-exempt due
8 to Federal law; and

9 “(bb) is considered Federal
10 property for the purpose of this
11 paragraph if the property is lo-
12 cated within a Regional Edu-
13 cational Attendance Area that
14 has no taxing power;” and

15 (B) in clause (iii)—

16 (i) in subclause (II), by striking
17 “Stewart B. McKinney Homeless Assist-
18 ance Act” and inserting “McKinney-Vento
19 Homeless Assistance Act (42 U.S.C.
20 11411)”; and

21 (ii) by striking subclause (III) and in-
22 sserting the following:

23 “(III) used for affordable housing as-
24 sisted under the Native American Housing

1 Assistance and Self-Determination Act of
2 1996 (25 U.S.C. 4101 et seq.); or”.

3 **SEC. 7013. AUTHORIZATION OF APPROPRIATIONS.**

4 Section 7014, as amended and redesignated by sec-
5 tion 7001 of this Act, is further amended—

6 (1) in subsection (a), by striking “\$32,000,000
7 for fiscal year 2000 and such sums as may be nec-
8 essary for each of the seven succeeding fiscal years”
9 and inserting “\$66,813,000 for each of fiscal years
10 2017 through 2019, and \$71,997,917 for fiscal year
11 2020”;

12 (2) in subsection (b), by striking
13 “\$809,400,000 for fiscal year 2000 and such sums
14 as may be necessary for each of the seven succeeding
15 fiscal years” and inserting “\$1,151,233,000 for each
16 of fiscal years 2017 through 2019, and
17 \$1,240,572,618 for fiscal year 2020”;

18 (3) in subsection (c)—

19 (A) by striking “section 8003(d)” and in-
20 serting “section 7003(d)”; and

21 (B) by striking “\$50,000,000 for fiscal
22 year 2000 and such sums as may be necessary
23 for each of the seven succeeding fiscal years”
24 and inserting “\$48,316,000 for each of fiscal

1 years 2017 through 2019, and \$52,065,487 for
2 fiscal year 2020”;

3 (4) by redesignating subsections (e) and (f) as
4 subsections (d) and (e), respectively;

5 (5) in subsection (d) (as redesignated by para-
6 graph (4))—

7 (A) by striking “section 8007” and insert-
8 ing “section 7007”; and

9 (B) by striking “\$10,052,000 for fiscal
10 year 2000 and such sums as may be necessary
11 for fiscal year 2001, \$150,000,000 for fiscal
12 year 2002, and such sums as may be necessary
13 for each of the five succeeding fiscal years” and
14 inserting “\$17,406,000 for each of fiscal years
15 2017 through 2019, and \$18,756,765 for fiscal
16 year 2020”; and

17 (6) in subsection (e) (as redesignated by para-
18 graph (4))—

19 (A) by striking “section 8008” and insert-
20 ing “section 7008”; and

21 (B) by striking “\$5,000,000 for fiscal year
22 2000 and such sums as may be necessary for
23 each of the seven succeeding fiscal years” and
24 inserting “\$4,835,000 for each of fiscal years

1 2017 through 2019, and \$5,210,213 for fiscal
2 year 2020”.