disabilities. Similar regulatory provisions, implementing section 3(d)(2)(C) of Pub. L. 81–874, previously were in subpart H of part 222.

§ 222.50 What definitions apply to this subpart?

The following definitions in the Individuals with Disabilities Education Act or its implementing regulations, or in 34 CFR §77.1, have been added to this section: "children with specific learning disabilities," "individualized education program," "intermediate educational unit," "preschool," and "special education." These definitions currently apply to Impact Aid payments for federally connected children with disabilities, but the full definitions were not included in the previous regulations. Because these terms are used in the text of the regulations and recipients of section 8003(d) funds are subject to them, the full text of the definitions are now included in the regulations for the convenience of applicant LEAs and other readers.

§ 222.51 Which children may a local educational agency count for payment under section 8003(d)?

Section 222.51 implements section 8003(d)(1) of the ESEA, which provides for payments based upon certain categories of federally connected children with disabilities. Previously, only federally connected children with disabilities who had parents on active duty in the uniformed services or who resided on Indian lands were eligible to be counted for an additional payment to an LEA. Under section 8003(d)(1), those two categories of federally connected children with disabilities, as well as children with parents who are foreign military officers, may be counted by an LEA

Under the previous statute (Pub. L. 81-874), all LEAs received a percentage increase in payment for each federally connected child with disabilities served by the schools within the LEA. Under section 8003(d), a separate appropriation is provided for payments for children with disabilities and weights are assigned to the different types of eligible children. For children with parents on active duty in the uniformed services or foreign military parents but who do not reside on Federal property, an LEA receives one half of the amount that it receives for the other categories of eligible federally connected children with disabilities.

Additional Assistance for Heavily Impacted Local Educational Agencies under Section 8003(f) of the Act (Subpart E)

The regulations in subpart E implement the provisions of section 8003(f) of the ESEA, which provides additional assistance to certain heavily impacted LEAs. Although section 8003(f) is similar to section 3(d)(2)(B) of Public Law 81–874, there are several significant additions to this section, including a provision for additional assistance for LEAs affected by unusual geographic factors similar to section 3(d)(3)(B)(ii) of the former law. The regulations implementing these former provisions were previously in subpart K of part 222 and §§ 222.36 and 222.37, respectively.

§ 222.62 Which local educational agencies are eligible to apply for an additional payment under section 8003(f)?

Section 8003(f) adds several new categories of LEAs that are considered to be heavily impacted and eligible to apply for additional assistance under the section. Section 222.62 describes the primary characteristics of the categories of heavily impacted LEA applicants.

§ 222.63 What other requirements must a local educational agency meet in order to be eligible for financial assistance under section 8003(f)(2)(A)?

§ 222.72 How does the Secretary determine a maximum payment for local educational agencies that are eligible for financial assistance under section 8003(f)(2)(A) and § 222.63?

Maximum payments for heavily impacted LEAs eligible under section 8003(f)(2)(A) are calculated in accordance with section 8003(f)(3). Section 222.63 specifies the requirements in addition to those in § 222.62(a), (b), or (c) that an LEA must meet in order to be eligible for a payment under section 8003(f)(2)(A). These requirements are similar to requirements for LEAs that applied for section 3(d)(2)(B) assistance under Public Law 81–874, including that the LEA must be making a reasonable tax effort as further described in §§ 222.66-222.71 and availing itself of all other potential revenues such as State aid. Section 222.72 establishes how payments for LEAs eligible under section 8003(f)(2)(A) are calculated in accordance with the new statutory provisions.

§ 222.64 What other requirements must a local educational agency meet in order to be eligible for financial assistance under section 8003(f)(2)(B)?

§ 222.73 How does the Secretary determine a maximum payment for local educational agencies that are eligible for financial assistance under section 8003(f)(2)(B) and § 222.64?

Payments for heavily impacted LEAs eligible under section 8003(f)(2)(B) are calculated by increasing the LCR of an eligible LEA if the LEA's current expenditures are affected by unusual geographic factors. Section 222.64 specifies the requirements in addition to those in § 222.62(d) that an LEA must meet in order to be eligible for this type of payment. These requirements are the same as

These requirements are the same as the requirements for LEAs that applied for section 3(d)(3)(B)(ii) assistance under Pub. L. 81-874 and that were in § 222.37 of the former regulations. Like LEAs described in section 8003(f)(2)(A), an eligible LEA under this section also must be making a reasonable tax effort as further described in §§ 222.66–222.71 and availing itself of all other potential revenues such as State aid. Section 222.73 establishes how payments for LEAs eligible under section 8003(f)(2)(B) are calculated.

§ 222.74 How does the Secretary identify generally comparable local educational agencies for purposes of section 8003(f)?

Section 8003(f) uses the term "generally comparable LEAs" in several different ways. Section 222.74 specifies how the term is generally used throughout these regulations. Section 8003(f)(3)(A)(i) also provides that payments for certain heavily impacted LEAs may be calculated using the average per pupil expenditure of three generally comparable LEAs, and §222.74 identifies how three generally comparable LEAs are selected when that option is available. This selection method was also available to LEAs under section 3(d)(2)(B) of Public Law 81-874 and was described in §222.36 of the former Impact Aid regulations.

Special Provisions for Local Educational Agencies That Claim Children Residing on Indian Lands (Subpart G)

The regulations in subpart G implement the provisions in section 8004 of the ESEA that require an LEA that claims children residing on Indian lands to establish policies and procedures for the equal participation of those children in the LEA's programs and activities supported with Impact Aid funds, and to consult with and afford parents and Indian tribes an opportunity to present their views on those programs and activities. Regulations implementing similar provisions in section 5(b)(3) of Public Law 81–874 previously were in part 223

Previously, the statute did not impose on the Secretary the duty to provide technical assistance to the LEAs and Indian tribes. Section 8004(d) specifically imposes that requirement on the Secretary and gives the Secretary the authority to take various enforcement actions, including withholding payments authorized under