



National Association of Federally Impacted Schools

444 N. Capitol St., NW, Ste. 419 | Washington, DC 20001 | (p) 202.624.5455 | www.NAFISDC.org

June 12, 2017

The Honorable Roy Blunt
Chairman
Appropriations Subcommittee on
Labor-HHS-Education and Related Agencies
U.S. Senate

The Honorable Patty Murray
Ranking Member
Appropriations Subcommittee on
Labor-HHS-Education and Related Agencies
U.S. Senate

The Honorable Tom Cole
Chairman
Appropriations Subcommittee on
Labor-HHS-Education and Related Agencies
U.S. House of Representatives

The Honorable Rosa DeLauro
Ranking Member
Appropriations Subcommittee on
Labor-HHS-Education and Related Agencies
U.S. House of Representatives

Dear Chairmen Blunt and Cole, Ranking Members Murray and DeLauro:

The National Association of Federally Impacted Schools (NAFIS) strongly urges you and your colleagues to continue recognizing the obligation to federally impacted communities as you set priorities for the Labor-Health and Human Services-Education Appropriations Subcommittee. After soliciting input from the NAFIS Board of Directors, Subgroup Leaders, and membership, we write to express our views regarding Fiscal Year (FY) 2018 funding for the Impact Aid program.

Based on our analysis, we urge you to provide a \$2 million increase for Federal Properties and a \$49 million increase for Basic Support for FY 2018.

NAFIS represents the 1,200-plus Impact Aid-recipient school districts nationwide, serving over 10 million students, Federal and non-Federal. Impact Aid is the oldest elementary and secondary education program and is a partnership between local communities and the Federal Government where there is significant non-taxable property, such as military installations, Indian treaty or trust land, low-rent housing facilities, national parks and laboratories. Congress recognized in 1950 that the Federal Government had an obligation to help meet the local responsibility of financing public education in areas impacted by a Federal presence. That same recognition holds true today.

Thank you for the much-needed \$23 million increase in FY 2017 Omnibus. Federally impacted school districts cannot afford stagnant appropriations or a loss of funding. FY 2018 will require additional funds to build on the important funding progress made last year.

Section 7003 Basic Support: Appropriations have not kept pace with rising education costs, measured through the Local Contribution Rate (LCR), meaning the “purchasing power” of Impact Aid Basic Support payments is dramatically lower than it was ten years ago (see chart).

THE NAFIS FAMILY

MISA

Military Impacted
Schools Association

NIISA

National Indian Impacted
Schools Association

FLISA

Federal Lands Impacted
Schools Association

MTLLS

Mid-to-Low-LOT
Schools

An estimated \$120 million increase for Basic Support over FY 2017 enacted levels would restore the payout – measured in LOT – to 100-percent, the “basic need” payment for school districts based on the formula established by Congress two decades ago.

An estimated \$35 million was required to cover the increase in the LCR of approximately three-percent for FY 2017. In addition, an estimated \$35 million is required to cover the increase in the LCR for FY 2018. Based on the \$21 million increase provided in the FY 2017 Omnibus, a total estimated increase of \$49 million is needed in FY 2018 to maintain the payout rate.

Section 7002 Federal Properties: We request that you reject the elimination of Federal Properties as proposed in the

Administration’s budget request and instead provide a \$2 million increase in FY 2018 to build on the \$2 million increase in FY 2017. These funds will offset the cost of new school districts as the Federal Government continues to acquire property, partially offset the higher-payment need for current school districts where the Federal Government continues to take property off the local tax rolls, and maintain the foundation payment for all school districts.

Section 7007 Construction: We recommend that Impact Aid Section 7007 funds be distributed under Section 7007(a) formula grants, since FY 2017 funds were dispersed through Section 8007(b) competitive grants.

Additional investments in Impact Aid are critical to help school districts close achievement gaps, update technology, expand access to early childhood and afterschool programs, integrate culturally-relevant curriculum, replace failing infrastructure, offer competitive salaries to recruit and retain school leaders, and more. We ask you to continue to view Impact Aid as a critical federal investment in our schools and a tax replacement program for federally impacted communities.

Sincerely,



Hilary Goldmann
Executive Director



Jocelyn Bissonnette
Director of Government Affairs

FY	DoED LOT Payout
FY 2007	142.670% of LOT
FY 2008	136.930% of LOT
FY 2009	129.870% of LOT
FY 2010	115.524% of LOT
FY 2011	97.066% of LOT
FY 2012	96.109% of LOT
FY 2013	87.061% of LOT
FY 2014	91.73% of LOT
FY 2015	93.074% of LOT
FY 2016	90%-93% of LOT*
FY 2017	90%-93% of LOT*
*Estimated final rates.	



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