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President's Original Budget Request Cuts Impact Aid by \$594 Million; Shifts Taxpayer Dollars to Private Schools

(WASHINGTON, DC) – The Trump Administration's FY 2019 budget request cuts the Impact Aid program by \$594 million. It includes a 44-percent reduction to Impact Aid Basic Support and a proposal to eliminate Impact Aid Federal Property payments. The budget request would also siphon critical resources away from public schools in favor of a private school voucher program, and the President's accompanying infrastructure request fails to include any funds for school construction.

Although the budget addendum restores funding for Basic Support because of recent legislation that raises the non-defense discretionary budget caps, the original budget makes the unjustifiable decision to cut Impact Aid.

Impact Aid is designed to reimburse school districts for the loss of tax revenue due to Federal properties or activities within their boundaries, such as military installations, Native American reservations, or other Federal land.

"Impact Aid funding is critical for public school districts where the Federal Government is, in some cases, the largest landowner and pays no taxes in these communities," said NAFIS Executive Director Hilary Goldmann. "Impact Aid is a direct Federal responsibility. School districts use Impact Aid dollars to fund personnel, academic materials, professional development, transportation, technology and a host of

other operating expenses. The consequences of cutting Impact Aid results in an increased tax burden for local taxpayers or students going without.”

At the same time the original budget request cuts Impact Aid by \$594 million it includes a new \$500 million school voucher proposal, essentially, shifting taxpayer dollars from public education to private schools.

“It is unconscionable this administration would risk closing the doors or reducing educational offerings/opportunities and other student support at schools that educate a majority of military-connected and Native American students in favor of funding private schools,” said Goldman.

There are federally impacted school districts, districts located completely within the boundaries of a military installation, or school districts located on Indian Lands with as few as three taxpayers.

“The administration clearly did not think through the consequences of this proposal,” said Goldman.

“If the administration wants to increase educational options, support military families and vulnerable student populations, and reduce the taxpayer burden, cutting Impact Aid is the wrong approach.”

If that isn’t enough, another disappointing development from the Trump Administration is the lack of infrastructure funding for public schools – one of the largest public infrastructure sectors. NAFIS recently conducted a study on school facilities that identifies more than [\\$4.2 billion in pressing school construction needs](#) in federally impacted schools alone. Presently, the Impact Aid construction line item is set at only \$17 million, a drop in the bucket of what is needed to address serious, ongoing health, safety and emergency repairs at federally impacted school districts. The US Department of Education’s own budget justification outlines the obligation and the need: “Because school construction is primarily financed from local funds, and because federally affected LEAs cannot tax certain lands, LEAs with large percentages of federally connected students need supplemental funds for construction.”

The Federal acknowledgment of this responsibility, the staff capacity to administer funds, and the need exists.

“All Congress must do to continue to recognize this longstanding obligation is to provide funding to address this significant backlog of school facility needs,” said Goldmann.

NAFIS looks forward to working with Congress to, at a minimum, restore funding for Federal Properties, fully fund the Impact Aid program, and provide funding for Impact Aid construction in an infrastructure package.

NAFIS is a non-profit, non-partisan association of school districts in the United States. Founded more than 40 years ago, the association works to ensure the needs of federally impacted school districts, and the children they educate, are met through adequate Federal funds.

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