



## TALKING POINTS: 2020 NAFIS FALL VIRTUAL CONFERENCE

### Impact Aid Overview

Impact Aid is the Federal Government's reimbursement to school districts for the presence of nontaxable Federal property (i.e. military installations, Indian Lands, Federal low-rent housing, national laboratories and grasslands) and federally connected students. The program has not been fully funded in decades. Funding appropriated annually by Congress goes directly to school districts and can be used for any general fund purpose, including academic materials, technology, staff or transportation, supporting all students. This flexibility allows school districts to target funds based on need, as determined by district leadership.

As you meet with your Congressional offices, be sure to tell the story of your district. Illustrate the financial realities – if you have limited bonding capacity, little or no taxable land, high rates of poverty, etc. Detail what you do with your Impact Aid funding. Show off the big successes from your district. Tell them what you would be able to accomplish with more funding. Also talk about all aspects of Impact Aid. If you receive funding for children with disabilities (CWD), be sure to illustrate the work you do to educate these students and how imperative the funding is.

- Share specifics of your federal impactation – your school community and the financial impacts.
  - Be clear about the difference between your current funding and what full funding would look like for your district, especially if you are a mid-to-low LOT district.
- If your district receives Children With Disabilities funding, inform staff about your special education population, services and associated costs.
  - Emphasize the gap between your combined IDEA and CWD funding and the actual costs of educating students with disabilities.

### Impact Aid Coronavirus Relief Act

The *Impact Aid Coronavirus Relief Act* is stand-alone legislation that has been introduced in the Senate (S. 4063) by Senators Thune (R-SD) and Smith (D-MN) and in the House (H.R. 8075) by Representatives Courtney (D-CT) and Johnson (R-SD). This legislation would allow Section 7002 Federal Property and Section 7003 Basic Support school districts to use FY 2021 (2019-2020 school year) student counts and acreage valuation data for FY 2022 Impact Aid applications, given concerns around holding an accurate and safe student count during the COVID-19 pandemic. This legislation was included in the large Senate Republican COVID relief proposal (the HEALS Act), but it has not been included in any other proposed relief packages.

This is an urgent issue, as school districts must compile this information this fall in order to meet the January 31 Impact Aid application deadline. There is no flexibility to let this issue languish. Talks for the

next COVID relief package have stalled. At this time there seems to be agreement to pass a Continuing Resolution to keep the government running past September 30.

### Talking Points

- **SUPPORT the inclusion of the *Impact Aid Coronavirus Relief Act* in the FY 2021 Continuing Resolution.**
  - Distance/virtual/hybrid learning make it nearly impossible to accurately distribute, collect and count parent-pupil forms.
  - Without this legislation, Impact Aid payments will decrease significantly in many school districts as a result of the insurmountable challenges to verifying student eligibility imposed on districts due to the pandemic.
  - This language will also provide needed relief to Federal Property school districts, permitting them to use their FY 2021 acreage valuation.

### Funding

**FY 2021 Impact Aid Funding:** The House passed a six-bill appropriations “minibus,” which includes a \$6 million increase to the Impact Aid Basic Support program and level funding for the other sections of the program. Given the tight budget caps for FY 2021, this bill does prioritize Impact Aid, and NAFIS remains hopeful that our strong bipartisan support in Congress and consistent advocacy on behalf of the program will lead to increases in Impact Aid funding. The NAFIS FY 2021 funding request is a \$50 million increase in Basic Support to reach 100 percent of LOT. We are also asking for a \$2 million increase for Federal Property.

Section	FY18 Final	FY19 Final	FY20 Final	FY21 President's Request	FY21 NAFIS Request	House "Minibus"
Federal Property	\$73,313,000	\$74,313,000	\$ 75,313,000	\$0	\$77,313,000	\$75,313,000
Basic Support	\$1,270,242,000	\$1,301,242,000	\$1,340,242,000	\$1,340,242,000	\$1,390,242,000	\$1,346,242,000
Disabilities	\$48,318,000	\$48,316,000	\$48,316,000	\$48,316,000	\$48,316,000	\$48,316,000
Construction	\$17,406,000	\$17,406,000	\$17,406,000	\$17,406,000	\$17,406,000	\$17,406,000
Facilities	\$4,835,000	\$4,835,000	\$4,835,000	\$4,835,000	\$4,835,000	\$4,835,000
Total	\$1,414,112,000	\$1,446,112,000	\$1,486,112,000	\$1,410,799,000	\$1,538,112,000	\$1,492,112,000

### Talking Points

- **SUPPORT a \$52 million increase for Impact Aid in FY 2021.**
  - \$2 million increase for Federal Property would help cover the cost of new school districts as the Federal Government continues to acquire property and districts continue to establish eligibility.
  - \$50 million increase for Basic Support would provide much-needed resources to maintain spending comparable with non-federally impacted school districts.

**FY 2020 COVID Relief Funding:** As the economic and health crisis endures, Congress continues to consider passing a fourth Coronavirus-related economic relief package. NAFIS has sent letters to House and Senate leadership arguing that a future package should include dedicated funding for Impact Aid.

Our specific requests are \$800 million for Basic Support, \$45 million for Federal Property and \$45 million for Children With Disabilities. Bipartisan Dear Colleague letters have circulated in both the House and Senate in support of including funding for Impact Aid in a COVID relief package.

Federally impacted school districts need this dedicated funding for two main reasons. First, because Impact Aid has been underfunded for over 50 years, federally impacted school districts remain at a disadvantage compared to non-federally impacted school districts. Second, because federally impacted districts have little to no local tax base, they are disproportionately reliant on state funding. As state budgets are already getting slashed, federally impacted school districts will face a disproportionate financial hardship.

### Talking Points

- **SUPPORT the inclusion of dedicated Impact Aid funding in a COVID-19 supplemental funding package**
  - **Because Impact Aid has been underfunded for over 50 years, federally impacted districts remain at a disadvantage compared to non-federally impacted school districts.**
  - **The impending state budget cuts fall heaviest on federally impacted school districts because they are disproportionately reliant on state funding.**
  - **Specifically, NAFIS recommends:**
    - **\$800 million for 7003 Basic Support**
    - **\$45 million for 7002 Federal Property**
    - **\$45 million for 7003(d) Children With Disabilities**

### Impact Aid 70<sup>th</sup> Anniversary Resolution

Impact Aid was originally signed into law by Harry S Truman on September 30, 1950. This year marks the 70<sup>th</sup> anniversary of Impact Aid. To commemorate this milestone, celebratory resolutions will be introduced in the Senate and House chambers to recognize September 30, 2020, as “Impact Aid Day.” Encourage your Members of Congress to demonstrate their support for the program by co-sponsoring the resolution.

- **CO-SPONSOR the Impact Aid 70<sup>th</sup> Anniversary Resolution**
  - Senate Leads:
    - Sen. Hirono (D-HI) – Ben Strand [Ben.Strand@hirono.senate.gov](mailto:Ben.Strand@hirono.senate.gov)
    - Sen. Crapo (R-ID) – Rebecca Alcorn [Rebecca.Alcorn@crapo.senate.gov](mailto:Rebecca.Alcorn@crapo.senate.gov)
  - House Leads:
    - Rep. Newhouse (R-WA) – Aaron Larson [Aaron.Larson@mail.house.gov](mailto:Aaron.Larson@mail.house.gov)
    - Rep. Levin (D-CA) – Robbie Farewell [Robbie.Farewell@mail.house.gov](mailto:Robbie.Farewell@mail.house.gov)

*The National Association of Federally Impacted Schools (NAFIS) represents the 1,100-plus federally impacted public school districts that together educate more than 10 million students across the nation. To learn more, visit [www.nafisdc.org](http://www.nafisdc.org). Please contact Nicole Jarvis, NAFIS Assistant of Policy & Advocacy, at [nicole@nafisdc.org](mailto:nicole@nafisdc.org) with questions or for additional information.*