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NAFIS Disappointed in President’s FY23 Education Budget Request

Despite big increases to education funding, Administration’s proposal cuts Impact Aid by $16 million

Washington, DC – March 30, 2022 – The National Association of Federally Impacted Schools (NAFIS) is disappointed with President Biden’s FY23 education budget request, released earlier this week. While NAFIS is pleased that the request calls for dramatic increases in federal education spending overall – particularly the investments in Title I, IDEA and mental health – we cannot endorse a budget proposal that would lead to a cut of $16 million for Impact Aid.

The President’s budget request calls for $1,541,112,000 for Impact Aid. That includes $1,394,242,000 for Basic Support – a $15 million decrease from FY22. It also includes $76,313,000 for Federal Property – a $1 million decrease from FY22. The request calls for all other parts of the program to be funded at FY22 levels.

While the Administration has indicated it does not intend to support funding cuts to education programs, though the budget request includes many because Congress finalized FY22 appropriations after the Administration finalized its FY23 request, it is particularly disappointing that the Impact Aid funding request is notably below the levels included in both the House and Senate FY22 appropriations bills, which were in conference at the time the budget was developed.

Given most public school districts depend heavily on local taxes for funding, those that contain federally owned land (which is not taxable) are at a funding disadvantage. Impact Aid is the Federal Government’s reimbursement to these districts for the lost revenue and additional costs associated with the presence of nontaxable federal property (such as military installations, Indian Trust & Treaty Lands, federal low-income housing, national laboratories and grasslands). Funding appropriated annually by Congress goes directly to school districts for any general fund purpose, including academic materials, technology, staff salaries, social emotional supports or transportation, benefitting all district students.

“Students attending federally impacted schools need access to the same resources and opportunities that their peers in nonimpacted schools have,” said NAFIS Interim Executive Director John Forkenbrock. “While the President has requested a significant investment in education across the board – and the proposed increase to IDEA is especially welcome – Congress and the Administration should prioritize students in federally impacted school districts, which include large numbers of Native American and military-connected children, as well as significant numbers of children residing in federal low-income housing.”

“Since 1950, Congress has recognized its responsibility to support schools and communities affected by a federal presence,” Forkenbrock continued. “NAFIS now calls on Congress to meet this responsibility by providing a $2 million increase to Federal Property and a $55 million increase to Basic Support for FY23. These increases would help provide a payment in lieu of taxes that recognizes the increased value of federal land in Federal Property districts. They would also fund Basic Support at a level that matches the rising costs of education, ensuring students in federally impacted districts are not disadvantaged because of the presence of federal property.”

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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. Federally impacted school districts are those located on or near nontaxable Federal property—including military installations; Indian Trust, Treaty and Alaska Native Claims Settlement Act lands; Federal low-income housing facilities; and national parks, national laboratories and other Federal buildings and property. These school districts, which are demographically and geographically diverse, receive Impact Aid, a Federal education program that reimburses school districts for the lost local revenue and additional costs associated with the presence of Federal property. To learn more, visit https://www.nafisdc.org/.