



National Association of Federally Impacted Schools

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The Hon. Tammy Baldwin
Chairwoman
Subcommittee on Labor HHS Education
Appropriations
U.S. Senate
Washington, D.C. 20510

The Hon. Robert Aderholt
Chairman
Subcommittee on Labor HHS Education
Appropriations
U.S. House of Representatives
Washington, D.C. 20515

The Hon. Shelly Moore Capito
Ranking Member
U.S. Senate
Washington, D.C. 20510

The Hon. Rosa DeLauro
Ranking Member
U.S. House of Representatives
Washington, D.C. 20515

March 8, 2023

Dear Chair Baldwin, Chair Aderholt, Ranking Member Capito and Ranking Member DeLauro:

The National Association of Federally Impacted Schools (NAFIS) requests **that you provide at least a \$2 million increase for Federal Property, a \$65 million increase for Basic Support, a \$1.5 million increase for Construction, and a \$1.5 million increase for Children with Disabilities in the Department of Education's Impact Aid Program for FY 2024.**

NAFIS represents the 1,100-plus Impact Aid-recipient school districts that together educate 10 million students across the nation. Impact Aid is the oldest elementary and secondary education program and represents a partnership between the Federal Government and those local communities where it holds significant non-taxable property, such as military installations, Indian treaty or trust land, Alaska Native Claims Settlement Act land, Federal low-rent housing facilities, national parks and national laboratories.

NAFIS is grateful for Congress's past bipartisan support of the Impact Aid program, and we hope to see that support continue in FY 2024. Federally impacted school districts cannot afford stagnant appropriations or a loss of funding given the continuing high student needs and high inflation with which they contend.

Section 7003 Basic Support: This cornerstone account of Impact Aid provides formula funding to support the students attending federally impacted public schools. This formula is based on several factors, including the cost of education, per pupil expenditures, and need. Because the federal government has been unable to fully meet its obligations to this program since 1969, underfunding it by nearly 40%, the actual allotments to school districts is further reduced on a prorated basis. We appreciate that Congress has recognized this historic shortfall by increasing funding in recent years and

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request that Congress continue to work towards full funding by providing another incremental increase in FY 2024. NAFIS supports a \$65 million increase for the coming fiscal year, which would build on increases provided in previous years and help the program keep pace with the rising costs of education.

Section 7003(d) Children with Disabilities: Another important element of Impact Aid is the Children with Disabilities section, which provides funding for military-connected and Indian lands students with active Individualized Education Programs (IEPs). It has been funded at \$48 million since 2008, despite rising costs of providing special education services. NAFIS seeks a \$1.5 million increase for this line item.

Section 7002 Federal Property: We thank you for the \$5 million increase in 7002 payments in FYs 2019 through 2023 for this section on Impact Aid, which provides formula funding based on the actual property in the school district owned by the Federal Government. For FY 2024, we request an additional \$2 million to build on these increases. These funds will partially offset new costs as the Federal Government continues to take property off local tax rolls and as the value of taxable land on which the funding formula is based increases.

Section 7007 Construction: Finally, the Construction section of Impact Aid, which allows federally impacted schools to make critical renovations to their buildings, has received very limited federal funding, languishing at a \$17 million level for several years until receiving a much-needed \$1 million increase in FY 2023. For FY 2024, we request a \$1.5 million increase over last year. Additionally, we recommend that FY 2024 Impact Aid Section 7007 funds be distributed under Section 7007(a) formula grants, since FY 2023 funds will be dispersed through Section 7007(b) competitive grants. This request tracks with language inserted annually in appropriation bills that calls for even years dollars to be paid out under the formula provision 7007(a) and odd year dollars to be paid out under 7007(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, provide school-based mental health supports, replace failing infrastructure, offer competitive salaries to recruit and retain school leaders, and more. Through increased funding, we ask you to continue to view the program as a critical Federal investment and a tax replacement program for federally impacted communities.

Sincerely,



Nicole Russell
Executive Director

CC: US House of Representatives and US Senate