



# National Association of Federally Impacted Schools

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## TALKING POINTS: 2024 NAFIS FALL CONFERENCE

### Impact Aid Overview

The Federal Government seeks to compensate school districts for lost property tax revenue arising from the presence of nontaxable Federal property (i.e. military installations, Indian trust and treaty lands, Federal low-rent housing, national laboratories and grasslands, and other Federal lands) within school district boundaries. Funding appropriated annually by Congress goes directly to school districts and can be used for any general fund purpose, including staff, mental health supports, technology, and transportation, supporting all students. This flexibility allows school district leaders to target funds based on need. While this program’s funds are immensely helpful to school districts, it has not been fully funded in decades.

### FY25 Appropriations

With schools facing many challenges, including the need to build or renovate facilities, attract and retain educators, and adjust to recent education cuts, Impact Aid dollars are more precious now than they have ever been. In addition, experts project a decrease in the prorated payment for Section 7003 Basic Support due to the inclusion of COVID relief funding and inflation in payment calculations. That means without a significant increase in appropriations or a legislative fix, these districts should prepare for lower Impact Aid payments in FY 2025 compared to FY 2024. Therefore, we support the \$20 million increase for Impact Aid included in the bipartisan bill approved by the Senate Appropriations Committee.

#### Talking Points:

- If the Member of Congress voted for the House or Senate Appropriations bill, THANK them for their support in protecting the Impact Aid program in FY 2024.
- REQUEST support for the Senate’s \$20 million increase for Impact Aid in FY 2025:
  - \$16.5 million increase for Basic Support
  - \$2 million increase for Federal Property
  - \$1.5 million increase for Construction
- EXPLAIN your concern that COVID funding and inflation could negatively affect your Impact Aid payment (if you receive Section 7003 Basic Support)
- EXPLAIN how a possible cut to your Impact Aid payment would affect your budget.

Section	FY21 Final	FY22 Final	FY23 Final	FY24 Final	FY25 Senate Proposal
Federal Property	\$76.31 M	\$77.31 M	\$78.31 M	\$79 M	\$81 M
Basic Support	\$1,354.24 M	\$1,409.24 M	\$1,468.24 M	\$1,474 M	\$1,490.50 M
Disabilities	\$48.32 M	\$48.32 M	\$48.32 M	\$48.32 M	\$48.32 M
Construction	\$17.41 M	\$17.41 M	\$18.41 M	\$19 M	\$20.5 M
Facilities	\$4.84 M	\$4.84 M	\$4.84 M	\$4.84 M	\$4.84 M
<b>Total</b>	<b>\$1,501.12 M</b>	<b>\$1,557.12 M</b>	<b>\$1,618.12 M</b>	<b>\$1,625.15 M</b>	<b>\$1,645.15 M</b>

## **Advancing Toward Impact Aid Full Funding Act**

The Federal Government has a responsibility to fully fund Impact Aid, but it has not met this responsibility since 1969. This legislation would establish a five-year path to full funding and ensure meaningful annual increases to districts. The *Advancing Toward Impact Aid Full Funding Act* (H.R. 1591, S. 871) is bipartisan and endorsed by NAFIS. This legislation would fully fund Basic Support and provide a proportional increase to Federal Property, Construction, and Children with Disabilities.

### **Talking Points:**

- **THANK those Members of Congress who co-sponsored this legislation.**
  - **REQUEST CO-SPONSORSHIP from those who have not yet signed on.**
  - **LEAD SPONSORS: Rep. Mike Levin (D-CA) & Sen. Ben Ray Luján (D-NM)**
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## **Impact Aid Infrastructure Partnership Act**

The current Impact Aid Construction line provides only \$19 million for construction in alternating years and formula distribution in the other, which is insufficient to meet most internal renovation needs and provides no funding to build new schools. There is also a significant demand for funding to renovate and construct teacher housing. The *Impact Aid Infrastructure Partnership Act* (H.R. 6698, S. 2808) would add a total of \$1 billion over four years (\$250 million per year) to the Impact Aid Construction line item. 25% of the new funds would be made available via formula to all eligible school districts. The U.S. Department of Education would disseminate the remaining 75% as competitive grants, with priority for those school districts with acute emergencies in their facilities (e.g., building code violations), teacher housing in need of repair, or limited or no bonding capacity.

### **Talking Points:**

- **THANK those Members of Congress who co-sponsored this legislation.**
  - **REQUEST CO-SPONSORSHIP from those who have not yet signed on.**
  - **LEAD SPONSORS: Rep. John Garamendi (D-CA) & Sen. Mazie Hirono (D-HI)**
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## **House & Senate Impact Aid Coalitions**

The bipartisan House and Senate Impact Aid Coalitions were established in the 1990s and have since led successful efforts to protect and prioritize the Impact Aid program. There are more than 100 current Members of Congress on the coalitions and we hope to continue to grow these numbers. If you talk to a Member who is not currently on the coalition, suggest they join. Have them contact [JSchimmenti@nafisdc.org](mailto:JSchimmenti@nafisdc.org) to sign up or with any questions.

### **Talking Points:**

- **JOIN the House or Senate Impact Aid Coalition for the 118th Congress.**
- **It is an easy way to show your support for federally impacted schools and Impact Aid. Membership does not require any commitment of time or staff.**
- **The coalition serves as a resource to NAFIS in supporting and protecting Impact Aid.**