

2026 Legislative Agenda

119th Congress, 2nd Session

NAFIS advocates for Impact Aid, federally impacted school districts, and the students they serve.

Impact Aid is a federal education program that reimburses school districts for lost tax revenue and additional costs due to the presence of nontaxable federal land, including military installations, Indian trust and restricted lands, federal low-income housing, national laboratories, and other federal properties. Since most public school districts rely on local taxes for funding, districts containing federal property can face significant financial challenges. Impact Aid funding can be used to meet any general fund need, including staffing, extracurricular and enrichment activities, technology, and transportation, benefiting all students. Despite its importance, Impact Aid has not been fully funded in decades. **To ensure Impact Aid fulfills its purpose, in 2026, NAFIS is advocating to:**

Protect the Impact Aid Program

Given Congress's longstanding role in authorizing and funding Impact Aid, NAFIS encourages continued oversight to ensure that any administrative changes, including inter-agency agreements, support the program's statutory purpose and enable the timely and accurate distribution of Impact Aid payments to federally impacted school districts.

Increase Impact Aid funding

With schools facing many challenges, including the need for facilities upgrades, teacher recruitment and retention issues, and recent funding cuts, Impact Aid is more crucial than ever. Additional funds are essential to make certain that federally impacted school districts have the resources they need to provide a quality education.

Build support for the Advancing Toward Impact Aid Full Funding Act (S.2621 / H.R.5195)

The federal government has not met its responsibility to fully fund Impact Aid since 1969. The bipartisan *Advancing Toward Impact Aid Full Funding Act* would create a five-year plan to fully fund Section 7003 Basic Support and offer a proportional increase to Section 7002 Federal Property. It would also provide substantial boosts to Section 7003(d) Children with Disabilities and Section 7007 Construction. These increases would deliver significant annual funding improvements for school districts, helping ensure all students have the resources they need to reach their full potential.

Build support for the Impact Aid Infrastructure Partnership Act (S.1275 / H.R.2629)

The current Impact Aid Construction allocation of just \$19 million per year is insufficient to meet most internal renovation needs and provides no funding to build new schools or address teacher housing. The *Impact Aid Infrastructure Partnership Act* proposes an additional \$1 billion over four years (\$250 million per year) for the program, providing students and staff in federally impacted school districts with access to safe, modern education facilities.

Grow the Congressional Impact Aid Caucus

By joining the bipartisan and bicameral Congressional Impact Aid Caucus (formerly the House and Senate Impact Aid Coalitions), Members of Congress show support for federally impacted school districts and Impact Aid. Established in the 1990s, the Caucus has led many successful efforts to protect and prioritize the Impact Aid program.