National Association of Federally Impacted Schools

Impact Aid Infrastructure Partnership Act

S.1275 (Hirono) | H.R.2629 (Garamendi / Obernolte)

The bipartisan *Impact Aid Infrastructure Partnership Act (IAIPA)* would provide funds to the Impact Aid Construction program to address the significant backlog of facilities' needs at federally impacted school districts. The American Society of Civil Engineers (ASCE) has given public schools a D+ on its 2025 Infrastructure Report Card, highlighting a $429 billion funding gap for essential renovations. Federally impacted school districts face even greater challenges in funding construction, as they can't rely on local tax revenue due to the presence of nontaxable federal property (i.e., military installations, Indian trust and restricted lands, and other federally owned lands and buildings).

This bill authorizes $250 million per year for four years to provide funding to local educational agencies (LEAs) eligible to receive payments under the Impact Aid program:

- **25% of the funds would be provided by formula to eligible districts**, which include districts that have 20% or more children who reside on Indian lands or who are military-connected.
- **75% of the funds would be provided through competitive grants**, either as a grant in full or a grant with a matching requirement, depending on the ability to pay.

IAIPA would also require the Department of Education (ED) to establish and maintain a priority listing of school buildings based on need, including teacher housing.

- **Priority One:** A facility in violation of a building code representing a health hazard; that fails to meet Centers for Disease Control and Prevention standards; non-compliance meeting student capacity or infrastructure standards; or has teacher housing repair or new construction needs.
- **Priority Two:** A facility that does not meet the requirements of Priority One, but that fails to meet the minimum structural or health and safety standards as adopted by the American Society of Civil Engineers or has an identified need for teacher housing repair or new construction.

Eligible districts would be further prioritized as follows:

1. Lack the authority to tax or issue bonds or have a total assessed value of real property that may be taxed for school purposes of less than $50 million.
2. A total assessed property value of less than $100 million.
3. Other considerations are the percentage of federally connected students, Learning Opportunity Threshold (LOT), percentage of taxable land, and feasibility of completion of the project in 24 months.

Priority One school districts with no capacity to issue bonds could receive competitive grants to fully fund their construction projects. Priority One and Priority Two school districts with some capacity to use bonds would be subject to a matching requirement that varies based on their dependence on Impact Aid.

Endorsements: National Association of Federally Impacted Schools (NAFIS); National Indian Impacted Schools Association (NIISA); Military Impacted Schools Association (MISA); Federal Lands Impacted Schools Association (FLISA); Learning Opportunity Impacted Schools Association (LOISA); and Build America's School Infrastructure Coalition (BASIC)

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