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## H.R. 1591/S. 871 – Advancing Toward Impact Aid Full Funding Act

Most public school districts rely on local taxes and fees for funding. However, federal property—such as military installations, Tribal lands, federal low-rent housing, and other federal properties and facilities—is tax exempt. As a result, public school districts containing federal land have significantly less tax revenue to meet students' needs than other school districts do.

In 1950, Congress created Impact Aid to partially reimburse school districts for the lost revenue and additional costs associated with the presence of nontaxable federal property. Impact Aid provides payments in lieu of taxes for schools to use for instructional materials, staffing, and other educational needs. It supports more than 1,100 school districts and nearly 10 million students, yet it has not been fully funded in more than 50 years.

When appropriations do not meet school district need (as calculated by formula in the Impact Aid law), they are prorated. Most school districts eligible for Impact Aid Basic Support payments (the largest Impact Aid program) never see their maximum allocations, which impacts the educational opportunities available to their students.

The Advancing Toward Impact Aid Full Funding Act introduces a five-year plan to bring Impact Aid Basic Support funding to \$2.3 billion by FY 2027, advancing it closer to the full funding mark (projected to be \$2.7 billion). It also authorizes a proportional increase for Federal Property and increases to the Children with Disabilities and Construction programs to better meet the current needs of federally impacted school districts.

This legislation provides much-needed resources for federally impacted schools and students by:

- Authorizing \$10.56 billion over a 5-year period to approach full funding of Impact Aid Basic Support, and authorizing increased appropriations for Impact Aid Federal Property, Children with Disabilities, and Construction (these four Impact Aid programs were funded at \$1.62 billion in FY23);
- Placing Basic Support on a glidepath toward full funding by authorizing \$9.5 billion over 5 years through a \$200 million annual increase in funding (Basic Support Payments were funded at \$1.47 billion in FY23);
- Authorizing \$545 million for Federal Property over 5 years through \$11 million annual increase in funding (Federal Property Payments were funded at \$78 million in FY23);
- Authorizing \$375 million for Children with Disabilities over 5 years through a \$9 million annual increase in funding (Children with Disabilities Payments were funded at \$48 million in FY23); and
- Authorizing \$135.7 million for Construction over 5 years through a \$3.25 million annual increase in funding (Construction Payments were funded at \$18.4 million in FY23).

This legislation is endorsed by 23 organizations, including NAFIS and the NAFIS subgroups, National Indian Education Association (NIEA), National Military Family Association (NMFA), AASA The School Superintendents Association, National Rural Education Association, Council of Administrators of Special Education, National Disability Rights Network, and National Math and Science Initiative.

To co-sponsor H.R. 1591, contact Alison Feinswog in Rep. Mike Levin's office at alison.feinswog@mail.house.gov. To co-sponsor S. 871, please contact Katie Merten in Sen. Ben Ray Luján's office at katie\_mertens@lujan.senate.gov.