National Association of Federally Impacted Schools (NAFIS)

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NAFIS Endorses "Local Taxpayer Relief Act"

NAFIS is pleased to endorse the Local Taxpayer Relief Act, a proposal to reauthorize the Impact Aid Program (Title VIII of the Elementary and Secondary Education Act). We applaud the leadership and bipartisan effort of Representatives Noem (R-SD) and Larsen (D-WA) who recently introduced the bill.

Impact Aid - the oldest federal K-12 education program – was designed to reimburse school districts for the lost revenue associated with a federal presence or activity. Since 1950, Impact Aid has provided critical funding to school districts that educate military children, children residing on Indian lands, children of civilian employees of the federal government, children living in federal low-rent housing facilities, and school districts where the federal government owns large parcels of property such as national parks or forests. Together, these 1,300 federally impacted school districts educate more than 11 million children.

The Local Taxpayer Relief Act proposes important changes to Impact Aid, increases efficiency and equity, eliminates subjectivity, and provides greater flexibility to school. The bill makes the following improvements:

- Changes Sections 8002 and 8003 to expedite payments to school district;
- Standardizes eligibility for Heavily Impacted school districts;
- Eliminates the subjectivity of federal property valuation by replacing the "highest and best" formula with one that applies the average dollar-per-acre assessment of taxable property to eligible federal property;
- Allows a "current-year count" for school districts that experience a significant increase in students due to federal action (e.x. Base Realignment and Closure);
- Pro-rates dollars equally when there is sufficient funding for all districts to receive their "Learning Opportunity Threshold" payment.

We thank the sponsors of this bill and urge members of Congress to consider cosponsoring this important piece of legislation that is a critical lifeline for federally impacted schools.

Sincerely,

John Forkenbrock Executive Director