

Federal Impact Aid: **YOUR VOICE MATTERS!**



April 23, 2025

# Mission



The mission of the Highland Falls-Fort Montgomery Schools is to provide enriching, safe and meaningful educational experiences that build a strong foundation for our diverse student body.

# Vision



The HFFMCSD is a school community focused on developing students as lifelong learners equipped with critical thinking and problem solving skills necessary to navigate and shape the future.

# Agenda

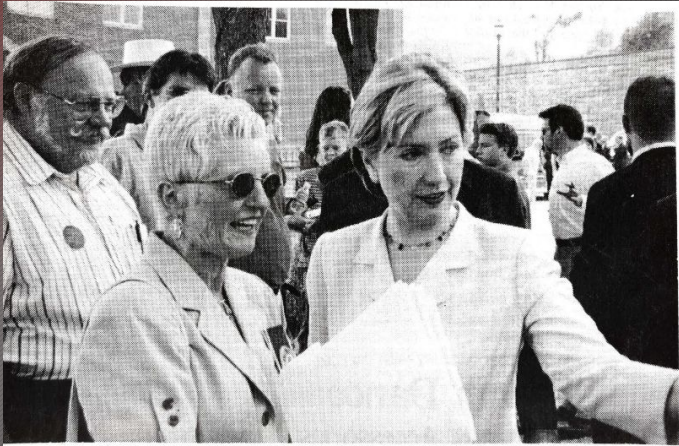


1. Our Story
2. NAFIS and FLISA Organizations
3. Federal Impact Aid Funding
4. Potential Impact for District and Community
5. Federal and State Legislatures Support
6. We Need Your Voice
7. Questions

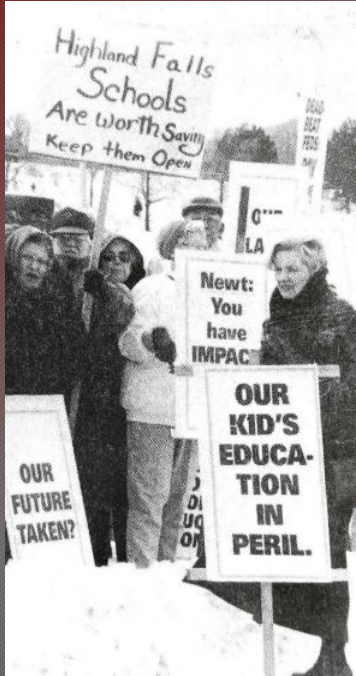
# Our Story



- Mrs. Anne Lawless: Board of Education President
- Dr. Frank Sheboy: Volunteer Federal Legislative Liaison



# Our Story



# IMPACT AID OVERVIEW: NAFIS Organization



## IMPACT AID OVERVIEW (TITLE VII - EVERY STUDENT SUCCEEDS ACT)

The Federal government is exempt from paying taxes on its property. Therefore, Federal property located within a community imposes a financial burden on local taxpayers. Congress created the Impact Aid Program to reimburse school districts for lost local tax revenue.

- Examples of Federal Impaction:**
- Military installations
  - Indian Trust, Treaty, and Alaska Native Claims Settlement Act lands
  - Federal low-rent housing facilities
  - Civil service activities (VA hospitals, Federal laboratories, national parks, etc.)

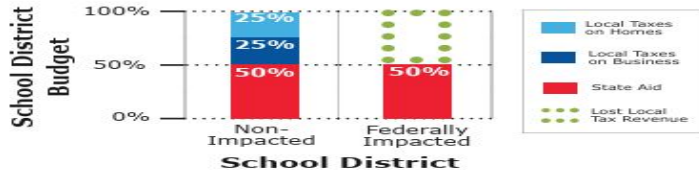
- Federal Impaction:**
- Causes a loss of local tax revenue due to the presence of Federal property.
  - Results in additional costs due to the enrollment of **federally connected children**.

- Impact Aid:**
- Makes up for lost tax revenues.
  - Levels the playing field for Federally impacted school districts.

Impact Aid funds are efficient, flexible, and locally controlled.

- Impact Aid funds are appropriated annually by Congress. The US Department of Education disburses the funding directly to school districts.
- School district leaders decide how Impact Aid funds are spent, including for instructional materials, staff, transportation, technology, facility needs, etc.

- Impact Aid:**
- \$1.6 billion**
  - More than 1,000** school districts educating
  - Nearly 8 million** students



Program Section	Description	FY25
<b>7002</b> Federal Property	School districts with a large percentage of Federal property (VA hospitals, Federal laboratories, national parks, etc.).	\$79,000,000
<b>7003</b> Basic Support	School districts that educate federally connected students: Indian Lands, Military on/off base, Civilian on/off base, Low Rent Housing.	\$1,474,000,000
<b>7003(d)</b> Disabilities	Payments for Military and Indian Lands students with disabilities for IDEA eligible activities.	\$48,316,000
<b>7007</b> Construction	Payments for construction allocated by formula and competitive grants.	\$19,000,000
<b>7008</b> Facilities	Payments for updates to facilities owned by the US Department of Education.	\$4,835,000
<b>Total:</b>		<b>\$1,625,151,000</b>

- 1,000 schools are a part of NAFIS
- NAFIS has 4 subgroups
- HFFMCS is in subgroup 7002 District: Federal Property
- All subgroups are not fully funded
- **There is bi-partisan support for Federal Impact Aid funding**

# IMPACT AID OVERVIEW: NAFIS Organization



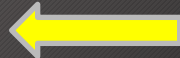
## Examples of Federal Impaction

Military Installations

Indian Trust, Treaty and Alaska Native Claims Settlement Act Lands

Federal Low-Rent Housing

Federal Properties & Facilities (ex. national parks and national laboratories)

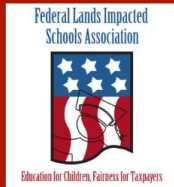


Map showing school districts across the United States that receive Impact Aid

# IMPACT AID OVERVIEW: FLISA Organization



## Federal Lands Impacted Schools Association Education For Children, Fairness for Taxpayers



### Who We Are

FLISA represents local schools, children, and taxpayers with federally owned land within their school district boundaries under Program Section 7002. FLISA is part of the National Association of Federally Impacted Schools (NAFIS), which also includes schools and children on military bases and Indian reservations.

<b>FLISA</b>	<b>NAFIS</b>
~200	~1,100
Districts	Districts
Over 900,000	Over 8,000,000
Students	Students

### Federal Impact Aid is for Our STUDENTS!

- It is critical revenue for our students and local school districts
- Our communities and taxpayers rely on this funding to maintain small class sizes and provide essential programs and services.
- Congress created the Impact Aid program to provide funding to offset the loss of property tax revenues in local schools.

#### Impact Aid Fast Facts

- Funds critical educational programs and services
- Direct, flexible, and locally controlled funding
- America's oldest K-12 federal education program
- Bipartisan support has been in place for nearly 75 years, but Impact Aid is funded at just 7 percent

#### How Funding is Used

- Smaller Class Sizes
- Academic Interventions
- Art, Music, STEM, Gifted
- Career and Technical Ed
- Mental and Physical Health
- School Safety and Security
- Before, After, and Summer School Programming
- Highly Qualified Teacher Recruitment and Retention

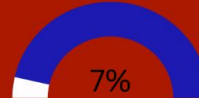
Data current as of March 2025

### Did you know?

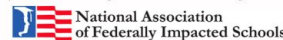
Even when Impact Aid funding increases, new property added by the federal government results in existing school districts getting a smaller portion of the available funding.

Section 7002 Impact Aid has not been fully funded since 1988, putting our schools and communities at a serious financial disadvantage compared to our neighboring school districts.

Impacted schools receive on average just seven cents on the dollar in Impact Aid, compared to what would be received from local property taxes.



Also, please support our students by joining the bipartisan Impact Aid Coalitions and supporting the Advancing Toward Impact Aid Full Funding Act. Visit [www.nafisd.org](http://www.nafisd.org) for details.



## Our Request for Congressional Support

- A total of \$84.5 million in Section 7002 funding for FY26, an increase of \$3.5 million.
- The average increase in funding over in recent years has been roughly 1 percent.
- Please consider supporting the Advancing Toward Impact Aid Full Funding Act.

[www.flisa.org](http://www.flisa.org)

[www.nafisd.org](http://www.nafisd.org)

We are 1 of 200 schools that are a part of FLISA  
FLISA receives roughly \$80 million dollars in Federal Funding annually

WHY ARE WE SO CONCERNED?




# Page 326: Mandate for Leadership Document



## Mandate for Leadership: The Conservative Promise

- **Restore revenue responsibility for Title I funding to the states over a 10-year period.**

OESE also currently manages the federal **Impact Aid** program, which provides funding to school districts to compensate for reductions in property tax revenue due to the presence of federal property (such as that associated with a military base or tribal lands).

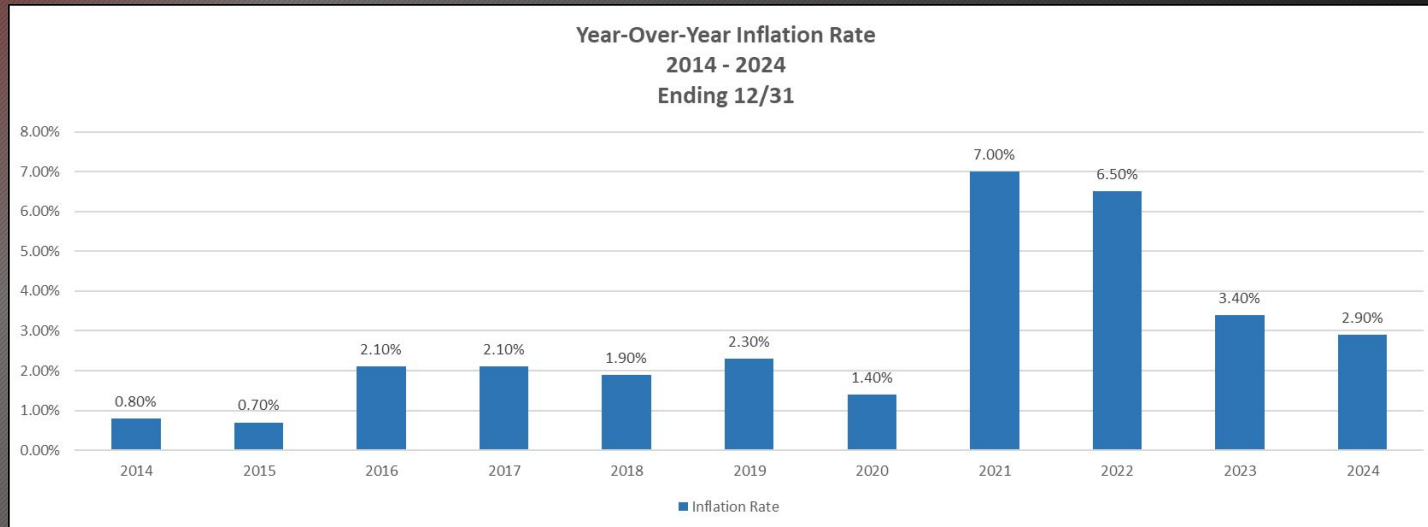
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- **Eliminate **Impact Aid** not tied to students.**
  - **Move student-driven **Impact Aid** programs to the Department of Defense Education Authority (DoDEA) or the Department of Interior's Bureau of Indian Education.**

# Federal Impact Aid: By The Numbers



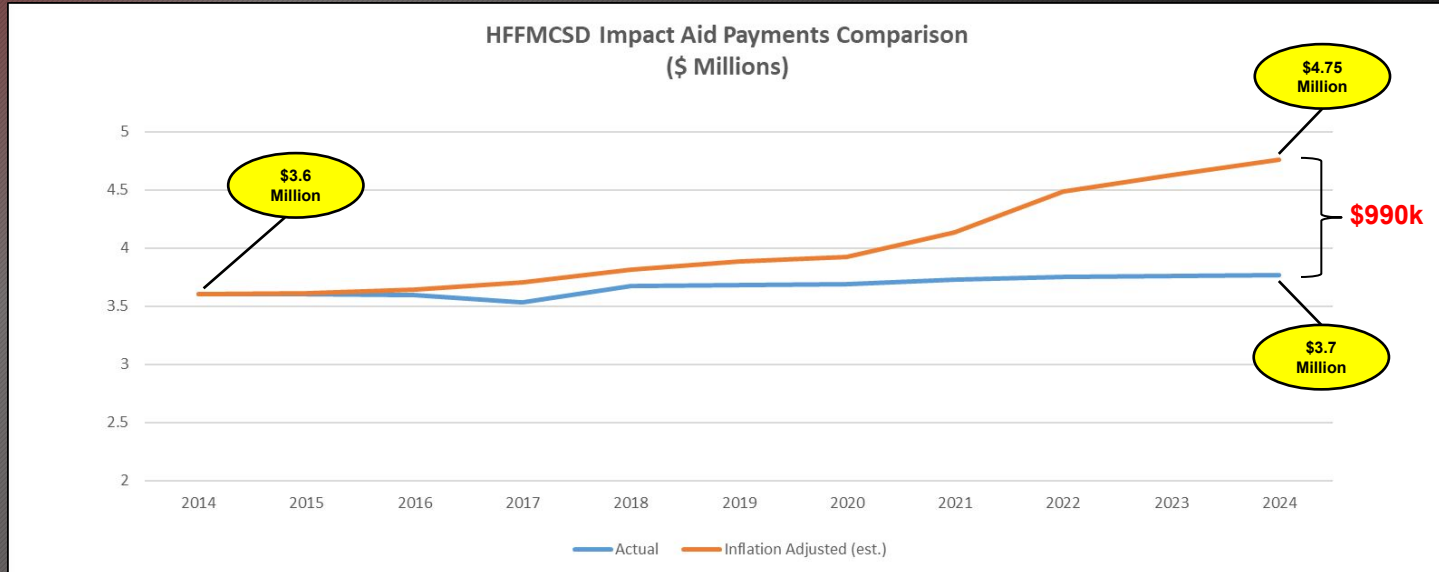
- Factors outside of our control have presented unique challenges:
  - Inability to tax more than 7% of district land
    - 23-24: Taxes provided \$11.688 Million = 29.5% of district revenue
    - NY State school districts average 56% of revenue from taxes
    - If HFFMCSD had the average % of taxes from revenue = \$22.4 Million
  - High rate of inflation
  - Federal Funding Flat over the last 10+ years

# Inflation Rate - Last 10 years



- Post-pandemic, the US Inflation Rate has been at least double what it was pre-pandemic
- While trending down now, prices continue to rise on top of severe increases in 2021 and 2022

# Federal Funding of Impact Aid: Inflation



- In 2024 alone, there is a gap of over \$990,000 between actuals and the inflation adjusted estimate
  - Additional funds could have been realized by the district in preceding years
- This only accounts for the current Impact Aid funding level, not potential payments if it were fully funded.

# Revenue Factors Summary



- Taxable Land/Tax Revenue
  - 29.5% of our Revenue
  - NYS Public School District Average of Revenue = 56%
- Federal Impact Aid has remained flat the last 10 years
  - \$993,586 in additional funding to HFFMCSD if the program kept up with inflation
  - Full funding of Impact Aid would deliver \$21 Million more annually to HFFMCSD
  - This would be a total of over \$24 million dollars annually

# NEGATIVE IMPACT: District and Community



- 3.7 million dollars is equivalent to:
  - Loss of over 30 certified educators, support staff, administrators, etc..
  - Loss of athletics, extracurricular activities
  - Inability to maintain current programming
- Potential impact on the Community:
  - Families may leave the community for better educational opportunities
  - Property values would most likely decrease
  - Local business would suffer due to the above bullets
- Potential impacts to the United States Military Academy community:
  - Reduced high school programming may negatively affect quality-of-life perceptions, driving military families to seek housing off-post in other communities
  - May impact recruitment of officers, civilian faculty, and cadre who seek top-tier assignments

# Federal and State Support



- Roberto Williams, Office of US Senator Schumer
- Damian Garcia, Office of US Senator Gillibrand
- Destiny Hallenbeck, Office of US Congressman Ryan
- William Alexander, Office of NYS Senator Skoufis

# WHAT CAN YOU DO TO HELP?




- Inform fellow community members
- At the conclusion of the event, attendees will have the opportunity to sign their names and provide their addresses on 3 letters that the district will hand deliver to our representatives in June.
  - There will be three different letters for you to sign:
    - US Senator Schumer
    - US Senator Gillibrand
    - US Congressman Ryan

# Sample Letter:



Fill in your information on top lines



HIGHLAND FALLS-FORT MONTGOMERY  
CENTRAL SCHOOL DISTRICT

\_\_\_\_\_  
(First, Last Name)

\_\_\_\_\_  
(Home Address)

\_\_\_\_\_  
(Town, State, Zip Code)

April 23, 2025

The Honorable Charles E. Schumer  
United States Senate  
322 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Schumer,

I am writing to you as a concerned parent whose child attends school in the Highland Falls-Fort Montgomery Central School District. Our district is facing a critical financial threat regarding potential cuts to Federal Impact Aid, and I am reaching out to you for support in advocating against these potential reductions.

Currently, our district receives approximately \$3.7 million annually in Federal Impact Aid. This funding is essential to our schools, as it provides the resources necessary to maintain quality educational programming, sports, extracurricular activities, and staffing levels. Without this vital support, our district would face catastrophic consequences, including the loss of more than 30 certified educators and deep cuts to essential student programs.

Additionally, the impact of losing this federal funding would jeopardize our existing contract with the Department of Defense Education Activity (DoDEA), under which we educate students in grades 9-12 who reside at West Point. Losing this critical contract would further devastate our high school and severely limit our students' educational opportunities, making it nearly impossible to provide them with the same level of programming and resources enjoyed by their peers across Orange County, New York State, and the country.

As a parent, I am deeply concerned that such funding cuts would directly harm my child's education and negatively impact every student within our district. Our children deserve equal opportunities for success, and losing Federal Impact Aid would significantly diminish their chances of achieving their full potential.

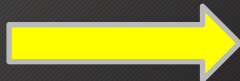
We urge you to advocate strongly for maintaining Federal Impact Aid funding within the federal budget. Your continued support will help protect the educational opportunities of all students who depend upon this funding, not only within our district but in every similarly impacted school district across the nation.

Thank you for your attention, support, and dedicated advocacy on behalf of our community's children.

Respectfully,

Concerned Parent  
Highland Falls-Fort Montgomery Central School District

Sign here



# Questions



Ms. Adelstein and Mr. Carballo will read questions that were sent to us from the community. If we don't get to all the questions this evening, we will create an FAQ for the community in the coming days.