

## Office of School Finance

# New Instructional Facility Allotment (NIFA)



## Legal References

Texas Education Code, §48.152; 19 Texas Administrative Code, §61.1034



## Background Information

The TEC, §42.158, enacted by Senate Bill 4, 76th Legislature, 1999, created the New Instructional Facility Allotment (NIFA) for public school districts. Former section 42.158 was transferred to TEC, §48.152 via HB 3, 86th Legislature. Funding has been made available through the 2026-2027 school year. The NIFA is provided for operational expenses associated with the opening of a new instructional facility and is available to all public school districts and open-enrollment charter schools that construct new instructional facilities that meet the requirements of the statute and rules. HB 2 of the 89th Legislature made changes to allow a renovated portion of an instructional facility, which is used for the first time to provide high-cost and undersubscribed career and technology education programs, as determined by the commissioner, to be eligible for funding.



## Description of Program

The NIFA provides support for opening a new campus through a reimbursement of up to \$1,000 per student in average daily attendance (ADA) in the first year of operation of the new campus, plus up to \$1,000 for each additional student in ADA in the second year of operation. In order to stay within the legislative appropriation, actual allotments may be prorated below the maximum allowable. Newly constructed instructional facilities, repurposed instructional facilities, and leased facilities operating for the first time as an instructional facility with a minimum lease term of not less than 10 years are eligible for funding.

The total amount appropriated for the program is limited by statute to \$150 million per year. There are no spending requirements associated with this allotment. Any eligible school district or charter school may receive the benefit of the allotment.

To be eligible for the NIFA, the facility for which funds are requested must qualify as an instructional facility, an instructional campus, and as a new instructional facility as defined in the Commissioner's Rules. It must be used for teaching the curriculum required by Chapter 28 of the Education Code. A "new instructional facility" includes:

- a newly constructed instructional facility,
- a repurposed instructional facility,
- a leased facility operating for the first time as an instructional facility with a minimum lease term of not less than 10 years, or
- a renovated portion of an instructional facility to be used for the first time to provide high-cost and undersubscribed career and technology education programs, as determined by the commissioner.

The new facility must:

- have its own unique campus ID number as designated by the Texas Education Agency (TEA), an assigned administrator, enrolled students, and assigned instructional staff.
- receive federal and/or state and/or local funds as its primary support.
- be physically separate from other existing school structures; however, a covered walkway may connect the new facility to another building.

The NIFA application is available online through the Foundation School Program (FSP) Payment System. All NIFA applications must be submitted through this system. A Texas Education Agency Login (TEAL) user ID and password are required to access the FSP Payment System. Announcements are sent to all FSP users when the NIFA online application becomes active. The deadline, by Commissioner's rule, is July 15<sup>th</sup> of each year or the next business day, if July 15<sup>th</sup> falls on a weekend or holiday; however, the deadline can be extended at the discretion of the Commission.

Applicants must provide information about the number of instructional days for the district, the number of instructional days for the eligible campus, the projected enrollment of the eligible campus, and the expected first and last days of instruction at the eligible campus. In addition, applicants must submit certain required documentation with the application. Required documentation includes a photograph of the new campus, a copy of a legal document clearly showing the nature and dates of construction, an updated site plan, a floor plan of the new campus, and, if applicable, a demolition plan of the old campus.



## Contact for More Information

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