**RSAI Legislative Update
Jan. 26, 2018**

These updates are posted on the RSAI legislative web page, along with the weekly Capitol Recap Video, at <http://www.rsaia.org/legislative.html>.

The legislature continued work on bills in subcommittees and committees, as they are approaching the Feb. 16 funnel deadline. This update includes news about a water quality bill to the Governor, bills moving through committee action such as SF 2017 Deappropriations for FY 2018, and a new school choice bill, SF 2091, that creates educational savings accounts (vouchers) for private and home school students. Also, next week we are expecting to see bills on the state cost per pupil increase and SAVE fund extension, so some information about each follows. IASB is having a lobby day on Jan. 30, and the Parents 4 Great Iowa Schools are aligning lobbying the same day. The AEAs are holding their lobby day for superintendents beginning that evening. So we’ll hopefully see you at one of those events. Ideas to come prepared to the Capitol are included at the bottom of this week’s report. Thanks for all you do to advocate for Iowa’s children. margaret@iowaschoolfinance.net

**Water Quality to the Governor:** SF 512 was approved in the House, sending it to the Governor’s desk. The bill exempts the sale of water by utilities from the state sales tax and creates a water service excise tax on metered water that is dedicated to water quality. The excise tax is repealed July 1, 2019 or if the state sales tax is increased prior to that date. The bill does not scoop growth in future SAVE dollars, as Governor Branstad had proposed two years ago, but various media reports have indicated a SAVE impact, so we thought it best to explain. The bill has a slight impact on SAVE funds. Since the sales tax will not be collected on metered water, there is an estimated SAVE loss of $3.9 million in FY 2019 that would have otherwise been given to schools. That is less than a 1% decrease, or about $8 per student. You might send your legislator a thank you for addressing water quality without scooping SAVE growth in the future to fund it.

**SAVE Policy Changes:** With the extension of the state penny being discussed behind the scenes, and communications from legislators to superintendents asking for your input, we are sharing what we have heard about possible policies likely to be included in SAVE fund extension proposals. When discussing generalities with legislators, we are sticking to some major points.

* SAVE funds must be dedicated to education
* Additional public input must not be onerous, so we will not support a 60% supermajority or requirement of a public vote above a certain cost for a project. We expect to see a public vote on a new revenue purpose statement either spending or anticipating funds collected from the extensions of 2029 to 2049. There may be a public meeting, petition and reverse referendum process for the public to weigh in. We anticipate a similar process when funds are intended to be spent on athletic facilities.
* Investments in the property tax equity and relief (PTER) fund are likely to increase over time and this is a preferable way to invest SAVE funds in additional property tax relief compared to other ideas.
* Changes to the Certificate of Need for small schools, raising the cap from 250 to 350 students. We expect new criteria that DE/SBRC will have to consider the impact on student learning, which RSAI has requested. FYI: Since 2009, only 7 school districts have sought a Certificate of Need, and of those, 6 were granted.
* We expect to learn more about the details of the legislation when IASB has their lobby day on Jan. 30, so we encourage RSAI members to attend. Superintendents are additionally encouraged to attend the AEA lobby day for PK-12 education that evening and stick around to connect with legislators the following day.

**SF 2017 FY 2018 Deappropriations:** this bill was approved by the Senate Appropriations Committee on Thursday, on a party-line vote of Republicans voting yes and Democrats voting no on the $52 million spending cut. The bill makes reductions to the current fiscal year, planning on a carry-forward balance at the end of FY2018 of about $35 million, hopefully sparing any further reductions if the March REC adjusts revenue estimates downward. Major reductions in the bill include cuts to Regents institutions by $19.3 million, community colleges by $5.4 million, about $10 million to DHS, and $3.8 million to the Judicial Brand. The DE cut is set at $17 million, so although there is not reduction to PK-12 state aid, supplements or other direct appropriations for school districts, there may be some impact felt by the DE reductions. This is only the start, as the House may have other priority areas, as will the Governor. Stay tuned, as the current fiscal year will likely need to be handled before the House Appropriations Committee will begin work on FY 2019, include SF 455 Transportation and Formula Equality.

**SSA Timeline**: the decision on state supplemental assistance is facing a Feb. 9 deadline (30-days after the release of the Governor’s budget.) Bills should start moving in the next week in order to meet the timeline without stress. We’ve heard reports from local forums that legislators are suggesting zero increase in SSA and instead, investing in SF 455 transportation and formula equality. SF 455 is still in the [House Appropriations Committee.](https://www.legis.iowa.gov/committees/committee?ga=87&groupID=695)  Both of these issues are priorities for RSAI schools. We’d prefer that legislators adequately fund education, which could be accomplished by delaying payments back to the state’s savings account or moving slowing on tax reform. The Governor’s Budget Recommendation, which pays back the reserve funds more gradually, still anticipates $677.2 million in reserve balances. It is important to keep in mind that other entities depending on state funding are well below appropriation levels in prior years, such as community colleges and regents’ institutions. So remember, good lobbying is “gentle persuasion applied relentlessly.” Be an advocate, but be kind and thank them for their work. FYI: Governor Reynolds recommended a 1.5% increase in SSA in her budget. Also, with the increase in employer share of IPERS effective for the 2018-19 school year, an SSA increase of 0.6% is required to keep that from being an unfunded mandate.

**Subcommittee and Committee Action:** these bills were discussed this week. Details and RSAI position follow.

[**SF 2114**](https://www.legis.iowa.gov/legislation/BillBook?ba=SF%202114&ga=87) **DE Code Corrections**: this bill makes changes to Iowa law to align with the federal Every Student Succeeds Act, which replaced NCLB, and SF 240 State Assessments enacted during the 2017 Session. The bill eliminates the state requirement of a second local assessment for the core indicators, which is no longer required in Iowa’s ESSA state plan. RSAI is registered in favor of the bill. The bill was approved by the Senate Education Committee and is now on the Senate Calendar.

[**SF 475**](https://www.legis.iowa.gov/legislation/BillBook?ga=%24selectedGa.generalAssemblyID&ba=sf475) **Omnibus Education Provisions:** this bill was amended and approved by the House Education Committee this week. See last week’s report for specifics about the original bill. The amendment requires the DE to approved providers of online content that districts would offer, eliminates the AEA task force to study AEA services, and lowers the amount a district of residence can withhold for student participation in activities while open enrolled into one of the online academies to a maximum of $200 per activity and no more than two activities per year. The amendment also allows the district of residence to charge a fee for activities if that same fee is charged to enrolled students in the district. RSAI is registered in favor of the bill since it includes flexibility to supplant up to two of the local CTE courses required with community college courses in some circumstances. The committee amendment, which now becomes the bill, is found here. <https://www.legis.iowa.gov/docs/publications/AMDI/87/H8001.pdf>

[**HF 2007**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf2007) **Praxis Requirements**: this bill eliminates the state requirement of Praxis score above the 25th percentile in order to be a licensed teacher in Iowa, which has been law since the 2012 education reform bill. The bill would not prohibit teacher preparation programs from requiring content testing as part of their degree requirements or local districts from requiring content testing as part of their hiring process. The subcommittee of Reps. Moore, Wheeler and R. Smith met this week and both Reps. Moore and Wheeler signed the subcommittee report to move the bill forward. RSAI is registered in support.

[**HF 633**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf633) **Operational Sharing** this bill was approved in subcommittee as described in last week’s report. The bill is still in the Senate Appropriations Committee awaiting action. We expect the deappropriations for FY 2018 to be handled first, but in the meantime, if you are represented by one of the senators on the [Appropriations Committee](https://www.legis.iowa.gov/committees/committee?ga=87&groupID=324), check in with them this week about this RSAI priority.

[**SF 2113**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=sf20113) **Suicide Prevention Training:** this bill, formerly SF 2004, requires licensed/certificated school employees to receive suicide prevention and awareness training aligned with the renewal cycle, similar to mandatory reporter of child abuse training. RSAI is registered in support and appreciates the effort of the legislature to address suicide and other mental health needs of students.

[**SF 2017**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=sf2017) **Abolish the DE**: details of this bill are shown in last week’s report. At the conclusion of the subcommittee meeting, Sen. Chelgren announced his intent to not move the bill forward without significant amendment. This week, the legislative web site shows the bill approved byte subcommittee with amendment, but there is no amendment posted on the site. RSAI is registered opposed to this bill. We will keep you posted of further developments.

**[SF 2091](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=sf2091" \t "_blank) Education Savings Accounts:**  this bill begins education savings accounts, AKA vouchers, July 1, 2019. The bill creates an education savings grant period of the lesser of 5 years or until the student graduates.  Eligible students include students 1) eligible to enroll in kindergarten 2) eligible to enroll in grade 1-12 if the pupil has attended public school for the equivalent of the two immediately preceding semesters for which the ESA is requested or 3) received an ESA in the previous year.  The parent applies by Jan. 1 and proves enrollment in private school or indicates intent to have student served in Competent Private Instruction (not IPI).  The DE notifies parents by Mar. 1 if they get the ESA and informs the Department of Management. The bill defines allowable expenditures and allows any remaining balance be used for college tuition. The bill excludes the ESA amount from taxable income for state tax purposes and defines a process for fraudulent use of funds under chapter 714 requiring DOM to initiate legal proceedings to recover funds.  RSAI is registered opposed to this bill.  See the RSAI position paper on school choice on the legislative page for talking points and research.

**Preparing for a lobby day: Suggestions for steps before and after follow.**

* Connect with association professionals and find out what’s the latest (going to a conference or reach out when you have a local forum coming up)
* Let your legislators know you are coming
* For lobby day, find your priorities on association websites and print position papers with background and talking points. Use tools to look up local impact, such as the [SF 455 Impact Look-up Tool Transportation Equity](http://nebula.wsimg.com/016771a592399e96fe87ac6d4f7d2cc6?AccessKeyId=D081CCCCA2DCE3941176&disposition=0&alloworigin=1) and the [SF 455 Impact Look-up Tool Formula Equality](http://nebula.wsimg.com/7bfa86a2d5b7fb558662e4563cd733f2?AccessKeyId=D081CCCCA2DCE3941176&disposition=0&alloworigin=1) posted on the RSAI web site
* Email and ask for ways to frame your local impact.
* Pay attention at the conference and follow through with contacts
* Bring parents and other constituents to support the school district
* Bring a local school board resolution that was approved stating something was a priority
* Find your list of legislators or print the list and photos of important committees
* Assign lead roles within your group
* After the lobby day, remember to circle back and share what you learned with your lobbyists, send a thank you note or a “sorry we missed you” note to legislators and send a letter to local paper about the issues you discussed and why they are important to your school district.

A**dvocacy Actions this week:** Remembering the definition of effective lobbying as “gentle persuasion applied relentlessly”, please keep in regular contact with your legislators. Suggested actions this week:

Senate Switchboard # 515.281.3371

House Switchboard # 515.281.3221

From links above or the legislative page <https://www.legis.iowa.gov/legislators> , find email addresses, home mailing address and home/work phone numbers for you legislators.

* Attend the IASB lobby day on Jan. 30, the AEA superintendents’ lobby day that evening and Jan. 31, and connect with your legislators at a local forum on the weekend.
* Remind Senators on Appropriations about urgency to move HF 633 Operational Sharing.
* Remind House members, especially those on the [Appropriations Committee](https://www.legis.iowa.gov/committees/committee?ga=87&groupID=695) that SF 455 Transportation and Formula Equality, is in their court. Remind them of the impact (use the look-up tools on the RSAI legislative page for details) and keep the urgency on getting the first step taken to solve these long-standing inequities.
* State penny extension. Use the RSAI position paper chart of property tax backed bond issues to show legislators what will happen if the sunset is not extended. Show them the needs of your district and explain how you’ve used the sales tax so far. Let us know if they are supportive of extension or have concerns.
* See the new RSAI position paper on School Choice and connect with your parents and legislators on the priority of public schools.
* Connect with parents to recruit advocates (Parents for Great Iowa School web site for supports [www.p4gis.org](http://www.p4gis.org/))

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