

RSAI Legislative Update Feb. 4, 2016

These updates are posted on the RSAI legislative web page at http://www.rsaia.org/legislative.html. The following provides analysis of this week's statehouse action as the school funding debate takes center stage. Thanks for all you do to advocate for lowa's children! margaret.buckton@isfis.net

AEA Lobby Days – it was so great to see many of you on the hill today for the AEA superintendents' lobby events. Thanks for being here. Let us know what you heard and if any follow up is needed with legislators or if you need assistance in answering their questions. They appreciate your presence and so do !! It's critical to build the long term relationships that effective advocates nurture. Write them a thank you note for their time if you got to see them. If you didn't, write them a note that you missed them and look forward to catching up later.

School Funding SSA Action:

Conference Committee for FY 2017: SF 174 and SF 175 originally set the increase in the state per pupil cost and categorical funds at 4%. House is at 2%. Conference committee appointees include: Reps. Jorgensen, Dolecheck, Stanerson, Ruff, and Winckler and Sens. Bowman, Dvorsky, Quirmbach, Kraayenbrink, and Sinclair.

SF 2092 and SF 2093 set 4% for categoricals and regular program district cost for FY 2018 were approved by the Senate Education Committee. Chairman Quirmbach stated his intent to get them done to meet the 30-day deadline in the law (which is Feb. 11). RSAI is registered in favor of these two bills.

Messages to House and Senate, both sides of the aisle, now through Tuesday, regarding the need for adequate and timely funding, are encouraged. Key talking points:

- Thanks for getting the school funding discussion started early in Session. Keep at it ©
- Thanks to the Senate for introducing bills at 4% for FY 2018.
- Five of the last six years have included per pupil increases below the cost of doing the business of schools. A 2% increase would extend that track record to 6 out of 7.
- Districts with declining enrollment are even worse off, having to make more program and staff reductions to live within tighter constraints.
- In the last five years, state net revenue growth has averaged 4.1% while the cost per pupil growth has averaged 2.0%. Add on the current year 1.25% increase in per pupil cost and 3.3% REC estimate and that spread continues: six year average SSA is 1.87% and state net revenue growth is 3.9%. Schools haven't experienced the economic recovery that the state has enjoyed.
- To put students and opportunities first, we need adequate, predictable and timely funding.

SAVE, State Penny, Transportation and Equity see some initial action:

HSB 548 by Sands, Subcommittee met, chaired by Rep. Windschitl, with Reps. Forristall, Vander Linden, Cohoon and Isenhart. The bill extends the penny to 2047, caps the per pupil SAVE allocation at FY 2016 levels (about \$950 per pupil), deposits the remaining penny revenue into a new District Levy Reduction Fund, used to buy down PPEL, Debt Levy and PERL levies. The bill requires a 60% supermajority vote to spend SAVE funds on any project or purpose greater than \$1 million and requires the revenue purpose statement to explicitly state the specifics about every project, start and completion time, maximum funds allowed to be spent on it, etc. On behalf of RSAI, Margaret provided some concerns with the bill and suggested that the certificate of need requirements applicable to small schools in current law be eliminated if these kinds of public opportunity to effect the RPS remain in the bill. RSAI is registered against this bill, but hoping to continue the conversation to improve it.

HSB 549 by Jorgensen, Subcommittee met, chaired by Rep. Jorgensen and included Rep. Forristall, and Rep. Cohoon. This bill extends the sunset of the penny to 2049 and caps the per pupil SAVE allocation at the FY 2016 level (just over \$950 per pupil) until the new District Equity Supplement program and PTER fund have attained equity. They estimated 7 years to achieve that goal. After that, all growth goes to the



SAVE fund through 2049. The bill allows districts to use SAVE for transportation costs above the state average. (RSAI requests that transportation be treated similarly with the other equity provisions and is concerned that rural districts are disadvantaged by having to use infrastructure and technology funds in order to pay for transportation – this doesn't solve the inequity, just moves it to another area.) The bill also defines instructional costs narrowly, to include textbooks and instructional materials/equipment, and prohibits supplanting existing instructional expenses and prohibits use of the DCPP supplement for staff. The bill prohibits consideration of these fund in collective bargaining and prohibits the use of SAVE for stadiums. RSAI is registered as undecided on this bill, but believes this bill, if amended to solve transportation equity, provides great potential for rural districts.

HSB 551 by Jorgensen extends the state penny through 2049. This bill doesn't' cap SAVE fund growth, but instead allows local districts to use SAVE funds for inequities, including DCPP shortfall, high additional levy rates, or transportation costs above the state average. The bill does not require boards to access this flexibility, but if they choose to, they must first seek voter approval of a new revenue purpose statement to use the fund for that purpose. Once in the RPS, the board may annually pass a resolution to access the funds for that purpose. The bill defines instructional costs narrowly (identical to definitions and restrictions in HSB 549 above) and similarly prohibits use of state penny revenue for a stadium. RSAI is registered as undecided on this bill.

Subcommittee Action: In addition to the SAVE fund bill subcommittees mentioned above, HF 2034 Professional Development Flexibility by Grassley. This bill would allow districts to use PD supplement funds for textbooks and curriculum. It is our understanding that the approval for spending these funds is still subject to the blessing of the teacher quality committee that directs this PD money. RSAI is registered in favor of this bill. It was moved forward out of subcommittee to the full Education Committee.

Thank you for all of your advocacy and support this Legislative Session! We will report further action when it happens, including Governor's approval and vetoes during the next 95 days (and longer if recent history repeats itself). In the meantime, keep advocating for the students in your schools!

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