**RSAI Legislative Update
Mar. 8, 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>.

This update includes news about RSAI priority issues SSA, Transportation and Formula Equity signed by the Governor. The Assessment bill receives approval in the Senate Education Committee. Other priorities, SAVE extension and district flexibility received positive action. Operational sharing extension is still awaiting expected action. We also report on House Tax Reform and Commercial and Industrial Property Tax bills lowering state appropriations for the backfill. This weekend, thank your legislators for forward progress on many of these priorities and share your concerns about others. Let us know if you need assistance with any of your advocacy work. Thanks for all you do to advocate for Iowa’s children. margaret@iowaschoolfinance.com

**SSA signed by the Governor**:[HF 2230](https://www.legis.iowa.gov/legislation/BillBook?ba=HF2230&ga=87) was signed this week by the Governor. The bill sets the FY 2019 state cost per pupil increase at 1%, including an increase of 1% for categorical funds and continuing the practice of the state assuming what would otherwise be the property tax contribution to the growth. The 1% is estimated to provide $32 million in state funds, assuming continuation of the $15 million cut to AEAs. Find the impact of 1% on your district with the ISFIS [FY2018 New Authority Report](http://www.iowaschoolfinance.com/system/files/members/Excel/New%20Authority%20Report%20FY%202019%201%25.xlsx). Statewide impact on schools:

* Sets a state cost per pupil of $6,731, which is an increase of $67 per student. This amount provides real new money to 230 Iowa school districts, subjects 180 school districts to the 101% budget guarantee. 103 districts will experience a net reduction in funds available compared to FY 2018. (Note: with the $5 per pupil formula equality from SF 455, there will be 178 districts on budget guarantee.)
* The property tax relief payment (the amount that would be paid by property taxes if the normal working of the formula was not interrupted) costs the state $91 per student for a total of $52 million.

RSAI is registered as undecided on this level of funding, with school leaders grateful to have been spared in the deappropriations process so far, but still keenly aware that continued consecutive years of low funding increases are disappointing and more difficult to implement every year.

[**SF 455**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=SF%20455) **Formula and Transportation Equity** was signed by the Governor at RSAI member school district of Davenport, Central High School on Thursday. This bill is the culmination of great collaborative work from many different stakeholders and education advocacy groups building urgency for solving these critical inequities. Thanks to everyone who worked on it! And thanks to everyone who will continue to work in the future, building on this great start. The bill provides $11.2 million in grants (miscellaneous income) to school districts with the highest transportation costs per pupil enrolled and embeds $5 per pupil in the formula to increase the base of the state cost per pupil. Committee chairs explained during the debate of the bill their intention to continue to address transportation inequities in the future. This action permanently closes the formula equality gap to $170. The bill does not set up a process or phase in period for closing the remaining $170 equity gap. RSAI is registered in support of this bill. The current inequity before this bill takes effect disadvantages rural schools’ ability to provide staff and programs. This solution is significant in terms of funding, and we hope to work with legislators in the future to improve certainty and predictability of this funding. The Senate passed the bill 45-4; the House passed the bill as 92-5. And now, the Governor has signed it.

[**HF2438**](https://www.legis.iowa.gov/legislation/BillBook?ba=HF%202438&ga=87) **SAVE Extension:** this bill had its first hearing, moving forward Thursday out of the House Ways and Means Subcommittee to the full Committee with amendment likely. We have expressed concern that all Revenue Purpose Statements are required to expire in 2023, yet 2/3rds of district have current expiration dates of 2029. We are hearing there is support to eliminate the proposed increase in the Certification of Need threshold to 350 students in a district, (current law requires the CON for districts with enrollment below 250 students enrolled). We appreciate this legislative support to protect small schools from further hurdles. See the March 1 report for policy details in the bill. RSAI supports the extension of the state penny for another 20 years and appreciates that the process has started. Continue to contact your legislators, both House and Senate, encouraging their support of the extension. RSAI is registered in favor.

[**SF 2382**](https://www.legis.iowa.gov/legislation/BillBook?ba=SF2383&ga=87) **“Iowa Working Families Tax Relief Act”,** which is the Senate Republican tax relief bill, is now in the House Ways and Means Committee. See the March 1 RSAI weekly report for many of the details of the bill or check out the nonpartisan LSA staff analysis, published in the Fiscal Note, <https://www.legis.iowa.gov/docs/publications/FN/925227.pdf>. RSAI is registered opposed to the Senate version as we believe it will force even tougher budget choices for the legislature impacting the state’s ability to adequately fund public schools. Meanwhile, the House is working on [HSB 671](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hsb671), the Governor’s tax package. This bill does not have an LSA fiscal note yet, so we will share that when posted. The bill is in the Ways and Means Committee. The Governor’s bill has many of the same provisions as the Senate bill, excluding corporate income tax reductions, but includes economic growth triggers which makes it more palatable. Speaker Linda Upmeyer, according to the [Des Moines Register March 1 article](https://www.desmoinesregister.com/story/news/politics/2018/03/01/reynolds-plan-slash-taxes-gets-first-stamp-approval/386050002/), said it's possible the House could negotiate with the Senate to include some corporate tax relief as long as the bill includes those economic trigger points.

"I think we want to make sure we’re able to fund Iowans’ priorities and that additional dollars return to the taxpayer," she said. "So including safeguards, triggers, in the plan could assure that."

RSAI registration on HSB 678 is pending release of the Fiscal Note.

[**HF 633**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf633) **Operational Sharing Incentives,** a priority for RSAI, is STILL sitting in the Senate Appropriations Committee, likely not moving until deappropriations differences between the House and Senate for 2018 are resolved. Some concerns were raised this week about the future of this bill. Call your senator and explain its importance. RSAI supports this bill.

[**HF 2441**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=HF2441) **District Flexibility:** this bill requires DE guidance to follow statute or administrative rules, removes the DE from the process of approving district dropout prevention plans, requires school boards to approve local dropout prevention plans, sets up a process for the SBRC to approve modified supplemental amount for districts to fund their plans, expands the use of DoP funds for staff including but not limited to an expanded list (adds administrators, mental health and social workers, etc.), adds a provision that DoP can be spent on anything that the board determines directly benefits the needs of students participating in the program, and adds school security personnel as an allowable expense. The bill also allows early intervention and class size funds to be used for any general fund purpose, and includes other flexibility provisions regarding leasing of property. The bill also allows student activity funds to be transferred to the general fund to recondition safety equipment (for any year beginning or after July 1, 2016). The bill allows transfer of excess fund in a before and after school program account to the flexibility fund based on board resolution and requires a public hearing and some process. The bill also specifies that items purchased by the HSAP may be used for other purposes in the district as long as they remain available for HSAP use. RSAI is registered in support. This bill was approved by the House and is now in the Senate Education Committee.

[**HF 2235**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=HF2235) **State Assessment**: this bill mandates use of Iowa Tests (next iteration, so Next Generation test) for our state assessment. The bill was approved by the Senate Education Committee this week. RSAI is opposed, concerned that the Next Generation Iowa Tests have not yet been confirmed to align to Iowa Core standards. Without such alignment, Iowa’s state ESSA plan is at risk of failing peer review, placing $96 million in Title I funds on the line. During the Committee, Sen. Chelgren and Sen. Sinclair discussed an amendment, which procedurally happens on the Senate Floor since it’s a House bill. They stated their intention to put the requirements of the RFP back into Iowa law, which include: Measures of proficiency and growth, reading and ELA including writing, and math and science at certain grade levels. The requirements will also specify that the test must meet ESSA requirements, must be aligned to Iowa Core Standards, must be available on computer and paper, and we are unsure if there will be a requirement for a computer adaptive test. Sens. Quirmbach and Hart expressed concerns about the process, disappointed that legislators had not trusted education professionals who served on task force and evaluated the proposals the second time around. There were also concerned about loss of federal funds. Sen. Danielson joined them in voting no. RSAI is registered opposed to the bill. See last week’s [RSAI Call to Action](http://nebula.wsimg.com/3ab57ba1b67eadeff3815df30d7a43ac?AccessKeyId=D081CCCCA2DCE3941176&disposition=0&alloworigin=1) for talking points and background.

[**SF 475**](https://www.legis.iowa.gov/docs/publications/LGR/87/SF475.pdf) **DE Omnibus Education Provisions:** this bill was approved by the Senate in the 2017 session, has been approved by the House Education Committee and is on the House Calendar. One provision was requested by RSAI, which would allow a district offer a concurrent enrollment (community college credit) courses to meet CTE requirements in one of the six CTE areas. This flexibility is limited to district with 650 students or fewer. Please contact your House member and ask for support of this provision.

**Other Bills Moving this week:**

[**SF 2131**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=SF2131) **Online Instruction:** this bill allows home school and private school students to access Iowa Learning Online courses for a fee. The Senate agreed with the House amendment to include a study by the AEAs to determine effective means of delivering content over the internet and range of partnerships currently in place. The bill next goes to the Governor. RSAI is monitoring this bill.

[**SF 2155**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=SF2155) **Local operating Funds**: this bill allows local government fund balances in excess of 33% of operating funds to be invested in CDs. Approved in the Senate 48:0. This bill is assigned to the State Government Committee in the House where a full committee amended and approved it 23:0. Moves to the House Calendar. RSAI is monitoring this bill.

[**SF 2311**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=sf2311) **Utility Matters:** this bill was amended through the Senate process to eliminate the solar provisions and requires an opt out of energy efficiency programs rather than an opt in. We will provide additional impact analysis when a new fiscal note is written to provide additional detail.

[**SF 2318**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=sf2318) **High School Credits:** This bill requires credit if a student completes a course at any level that is high school credit in the public school and allows the district to award credit from a course with a licensed teacher not at a public school. Senate approve 47:2. Over to House.

[**SF 2324**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=sf2324) **Pickups as School Vehicles:** This bill requires the DE to adopt rules to allow pick-ups under 10,000 pounds, carrying fewer than 9 passengers, to quality as Type III school buses. The Senate amended to requires all passengers to wear seatbelts and prohibits passengers from riding in the bed of the truck. The bill includes rules on passenger vans. Senate approved in 49-0, now over to the House.

[**SF 2364**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=sf2364) **School Security Plans:** this bill requires schools to work with local law enforcement and consider DE recommendations in planning plan emergency operations, including consideration of active shooter and natural disaster scenarios. An amendment was approved which requires the plans to be of high quality including consultation provisions and notification of employees and other people in school buildings. The bill exempts the details of the plans from public records requirements. The bill requires district-wide plans and applies the requirement to nonpublic schools. The bill also requires that the school board review the plan annually and require all school personnel conduct at least once per school year an emergency operations drill based on the emergency plan in each attendance center. Students may participate in the drill. The Senate approved the bill 50:0. Over to the House Education Committee. RSAI is registered in favor.

[**SF 2367**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=sf2367) **School District Residency for Military Children:**this bill allows a child with an active duty military parent living on a federal military installation contiguous to a county in Iowa to attend an Iowa school district in that contiguous county and be counted in the district’s enrollment for state aid purposes. The bill requires the military parent be responsible for transporting the students. RSAI is monitoring this bill. The Senate approved the bill 50-0, sending it to the House Education Committee.

[**HF 2240**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf2240) **Electronic Wage Statements:** this bill allows employers to provide electronic wage statements to employees. This bill was signed by the Governor.

[**HF 2252**](https://www.legis.iowa.gov/docs/publications/LGI/87/HF2252.pdf) **Secretary of State Elections:** although this bill addresses many election issues not impacting schools, one provision is technical cleanup regarding the December special election, changing the date from the first to the second Tuesday in December of the even-numbered year. This is to avoid conflict with other local special elections. RSAI is monitoring the bill.

[**HF 2280**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf2280) **Praxis Tests:** this bill eliminates the requirement that a teacher score on the praxis test above the 25th percentile in order to be an Iowa licensed teacher. The House amended the bill to apply retroactively to 2013, the first year that the Praxis requirement was in effect. RSAI is in favor of this bill.

[**HF 2354**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf2354) **Student Information Protections:** this bill restricts third parties/vendors which receive K-12 student data from using that data to target marketing. The bill allows some limited uses, including improving educational opportunities and includes restrictions on selling or disclosing the information. A subcommittee of the Senate Education Committee recommended the bill move forward to the full committee. RSAI is monitoring it.

[**HF 2369**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf2369) **Limited Bond Election Dates**: this bill requires that elections to authorize bonds or local option taxes be held on the first Tuesday after the first Monday in November. It is effective for elections after January 2019. The House passed the bill 52-43; it now goes to the Senate State Government Committee. As this would restrict when schools could hold elections regarding bonding, RSAI is opposed.

[**HF 2406**](https://www.legis.iowa.gov/legislation/BillBook?ga=%24selectedGa.generalAssemblyID&ba=HF2406) **Social Workers Shared Weighting:** this bill allows school districts to share a licensed social worker and generate the equivalent of 3 students in operational shared weighting. A Senate Education Subcommittee recommended consideration by the full Committee. RSAI is in favor.

[**HF 2442**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=HF2442) **High School Collision Sports:** This bill requires DPH and the high school athletic associations to work together to develop training materials on concussions/BI. It requires coaches and referees to complete such training every two years. It also requires the development of information sheets for parents and guardians. Most of that is already in Iowa code. The new requirements include removing a student to from a contest if the student shows any sign of brain injury. The bill further requires the DPH, DE and the HS associations to develop return to play/return to learn protocols and requires school boards to adopt them for contests in grades 7-12. The bill requires districts to provide protective gear required to participate in the contest (helmets, pads, etc.) The bill includes liability protections for schools that fully implement the protocols required and that have a licensed health care provider at contests (also provides liability protection for the HC provider.) RSAI is registered opposed, although RSAI leaders are concerned about student safety, the protocols yet to be developed are an unknown entity. We are not sure of the cost of implementing and concerned about the requirement for a health care professional to be at the contests when such positions may not be available to rural school districts. The bill was passed by the House 96:1. Over to the Senate Education Committee.

[**HF 2467**](https://www.legis.iowa.gov/docs/publications/LGI/87/HF2467.pdf) **School Lunch Provisions:** Allows schools to use money from the flexibility accounts to pay for the costs of student meal debt. Requires schools to notify parents at least twice a year, and if the student has five unpaid lunches, of the availability of free or reduced school lunch programs (doesn’t prohibit the district from notifying at other times.) Encourages schools to offer students reimbursable lunches unless the parent authorizes withholding lunches from a student. Requires schools, if practicable, to determine at the beginning of a lunch line whether a student has funds for a lunch, and prior to the replacement or disposal of a lunch. Prohibits posting lists of students who cannot pay for lunch or otherwise shaming those students or prohibiting the students from various school activities. Setoff: Allows schools to use income tax setoff procedures to collect debts over $500 that are more than two years old. This language in the bill is intended to help districts with another option for collecting debt, and states:

“If the alleged liability is owing and payable to a school district for school meal debt, the school district has made reasonable efforts to collect the debt for at least two years, and the amount of the debt owed by a person to the school district is five hundred dollars or more, setoff pursuant to this section may be sought by the school district. However, this paragraph shall not be interpreted to limit any other options for school meal debt collection available to the school district by law.”

The bill also allows school districts to create an unpaid student meals account within the school and nutrition fund, to deposit funds into the account, including either private sources designated for paying unpaid student meals or transfers from the district flexibility account. House passed the bill as amended 97-0; it now goes to the Senate Education Committee. RSAI is registered as undecided.

[**HSB 678**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hsb678)**: Commercial and Industrial Property Tax Backfill Phase-out**: this bill reduces the $152 million appropriation to local government to hold them harmless for C&I property tax relief which began in FY 2014. The bill caps the FY 2019 appropriation at $100 million, FY 2020 at $75 million, FY 2021 at $50 million and then leaves the total at $25 million in FY 2022 and beyond. For school districts, reducing this appropriation does not impact spending authority but does require additional property tax to fund the authority. RSAI is registered as undecided.

 **Advocacy 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.

* Thank all senators, representatives and the governor for addressing the transportation and formula inequalities for school districts through SF 455. Include a thank you for setting 1% SSA at a time when the state budget is challenging.
* Contact senators stressing the need to extend the operational sharing incentives, an RSAI priority, by moving HF 633 out of the Senate Appropriations Committee and getting approved and sent to the governor. This is an RSAI priority. See the RSAI position paper for background and talking points [here](http://nebula.wsimg.com/6a2c1097022a45a9a169ec2796f226a4?AccessKeyId=D081CCCCA2DCE3941176&disposition=0&alloworigin=1).
* Continue State penny extension advocacy. Remind all legislators that extending the penny is critical to solve your infrastructure, school safety, equipment and technology needs without raising property taxes. Shore up members of the House Ways and Means Committee to support the bill and move it out of committee. See if your representatives are on this committee. [House Ways and Means Committee Membership](https://www.legis.iowa.gov/committees/committee?ga=87&groupID=683)
* Contact senators on the Senate State Government Committee in opposition to HF 2369 which limits school bond elections to the November election, rather than during the school special elections throughout the year.
* Contact representatives in support of SF 475 Education Omnibus Provisions, especially the provision on CTE courses for rural schools.
* Connect one parent in your district to Parents for Great Iowa Schools. <https://p4gis.org/> They are helping parents find their advocacy strength in prioritizing public schools, both in terms of funding and state policy.

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