

RSAI Weekly Legislative Update Jan. 29, 2015

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RSAI Learning Opportunity and Conversation - the relevance of rural schools to your

communities and considering your future: The RSAI leadership group has engaged the talent and energy of David Lyons, who has held numerous leadership positions in the public sector (Iowa Insurance Commissioner, Economic Development Director,) the private sector (for profit and non-profit entities,) and rural development (Farm Bureau Federation and The Iowa Institute), to help facilitate a discussion with you about the future of rural schools and what you need that can be collectively accomplished with RSAI support. The regular business meeting of the RSAI leadership group will immediately follow, from 5-6:00 p.m. Members are invited to stay if interested.

Where: FFA Enrichment Center in Ankeny, on DMACC's Campus, from 3-5:00, on Wed., Feb 11. There is no cost to attend, but please register your intent to join us [here](#).

Legislative Highlights of the week:

- Public Hearing at the Statehouse on proposed 1.25% increase in per pupil funding: RSAI members testify and submit comments
- House passes HF 80
- Subcommittee Action on RSAI priorities and other bill action
- Advocacy assignment for this week

The following provides analysis of this week's activities at the Capitol. Thanks for all you do to advocate for Iowa's children! margaret.buckton@isfis.net

Public Hearing on HF 80: School Foundation Aid at 1.25% increase per pupil

- Governor's office testified about targeting funds to Teacher Leadership and Compensation Grants already stretching state budget limits. "State doesn't have unlimited pockets."
- One citizen talked about too much administration and suggested 99 county school districts.
- The other 100 plus teachers, board members, administrators, AEA folks, parents all provided comment, in writing and in person, that 1.25% isn't enough.
- Check out the testimony and steel without guilt. <https://www.legis.iowa.gov/committees/publicHearings?ga=86>
- Thanks to Kevin Fiene, I-35 Community School District and Willie Stone, Southwest Valley Community School District for submitting written testimony and Special Thanks to Gregg Cruickshank for attending the hearing and testifying about the impact of continued low funding increases, especially on rural school districts!

House Approved HF 80 School Funding for FY 2016

The House debated and passed their bills on school funding on Tue., Jan.27, setting a 1.25% increase for regular program and categoricals for FY 2016. They did not take action on FY 2017, promising instead a bill to change the timing requirements in Iowa Code 257.8. The bills were approved on a mostly party line vote with all Republicans in favor (except Rep. Baltimore) and all Democrats opposed (except Rep. Thede who noted in the following House Journal her intent to vote no). Republican legislators expressed a goal to avoid any future Across-the-board cuts and were concerned about other budget items demanding their attention (commitments to commercial property tax relief, education reform, and increased state Medicaid costs were all mentioned.) Given record low levels of funding and healthy

cash reserves today, both at the state level and at the school level, most schools are better off with a higher per pupil number, even if it means an ATB cut in the future, since they don't lose spending authority. The bill is now in the Senate. Sen. Gronstal was quoted in Thursday's ILNS newsletter as saying the Senate Democrats will hold a series of listening posts in their districts and will likely move the bill by Feb. 12. Bill numbers follow (RSAI is registered opposed):

- [HF 80](#) Sets state cost per pupil increase at 1.25% for FY2016
- [HF 81](#) Sets categorical increase at 1.25% for FY 2016

Statewide impact of 1.25%:

- State cost per pupil \$6,446 (increase of \$80).
- 163 districts on budget guarantee
- \$16.5 million property tax to fund budget guarantee
- 31 districts actually have negative new money
- 274 districts have an increase less than 3%, which is a conservative estimate of likely cost increases (budget cuts will be necessary)
- Special education deficits are likely to continue to increase as the cost per pupil multiplied by the Special education weighting won't generate the money needed to cover the cost of delivering IEPs.

Economics 101: During the House Floor debate on HF 80 on Tuesday evening, a legislator stated, "the cost of education has grown 84% since 1974, controlling for inflation. Where has the money gone?" We should not be surprised if education spending has grown by about 80% over the past 40 years, even in real terms (CPI Index from the Bureau of Labor Statistics.) State Personal Income in Iowa has grown 84% in real terms since 1974, according to the Bureau of Economic Analysis. Find more explanation about the differences between 1974 and today, both economically and in terms of education, in next week's Education Fact of the Week from the Education Coalition, to which RSAI belongs.

Legislative Action on RSAI Priorities:

[HF 5 Operational Sharing Incentives](#), was approved by House Education. The bill adds principals to the list of positions which qualify for operational sharing incentives, with a weighting equal to 5 students. The bill moves to the House Calendar. RSAI is registered in support of this bill.

[SF 17 Operational Sharing Incentives](#) is remarkably similar, but assigns a weighting of 8 students to the sharing of the principal position. The Senate Subcommittee met Wednesday, but decided to wait for HF 5 to come to them after House approval, since the weighting of 5 was more appropriate to the position. RSAI is registered in support of this bill.

[SSB 1058 School Start Date](#) repeals the requirement for waivers and the Sept. 1 target for starting school and instead allows local school boards to set their calendar. The Subcommittee intends to move the bill forward to committee. RSAI is registered in support of this bill.

[HSB 59 Concurrent Enrollment for Postsecondary Institutions:](#) this bill would allow schools to work with Iowa universities or private colleges instead of just community colleges to provide college level courses that qualify for supplementary weighting. The last section of the bill is particularly problematic since it opens up the Iowa Code regarding the SAVE fund (sales tax for school infrastructure) to allow postsecondary institutions to work with schools to provide facilities with this funding. RSAI is registered as undecided on this bill.

[SSB 1099 Weighting for Low-Income Students:](#) This bill, approved last year by the Senate, but dead in the House, would assign a 4% weighting to students eligible for Free and Reduced Lunch, or \$255 per

low-income student. The bill allows district flexibility in providing program and resources and allows other students not from low-income families to participate in the programs as long as their participation is funded from other funds. The RSAI position paper was shared with legislators on the subcommittee and can be found [here](#). RSAI is registered in favor of this bill.

[HSB 95](#) Timing for Setting State Cost Per Pupil: This bill requires the legislature to set the state percent of growth and the categorical state percent of growth for a budget year beginning July 1 of an odd-numbered calendar year within 30 days of the submission of the governor's budget in that odd-numbered calendar year. The bill requires the legislature to set the state percent of growth and the categorical state percent of growth for a budget year beginning July 1 of an even-numbered calendar year during the regular legislative session preceding the base year (also in the odd-numbered year). This process would allow a two-year budgeting decision every other year. See the Cedar Rapids Gazette editorial for a good explanation of why the priority of school funding ought to be 18 months ahead of the school year and within 30 days of the Governor's budget every year:

<http://thegazette.com/2014/02/06/lawmakers-should-follow-laws/> RSAI is opposed to this bill.

[HF 118](#) School Sales Tax Sunset is introduced and assigned to Ways & Means Committee. The bill strikes the 2029 sunset of the 1% school sales tax for the SAVE fund. This bill is similar to [HF 74](#) which extends the sunset until Dec. 31, 2040, also assigned to the Ways and Means Committee. RSAI supports both bills, with repeal of the sunset established as an RSAI priority. Subcommittee assignments have not yet been assigned to these bills.

Subcommittee action will continue over the coming weeks so we will keep you posted. Continue to connect with all legislators about funding Iowa schools adequately.

This week's Advocacy Plan: Generate contacts from grassroots networks, staff and school leaders. Request that the Legislature set the state cost per pupil for FY 2016 ASAP in the 2015 Session and at 6% as all the education organizations support. Target contacts to local legislators in both parties and chambers, legislative leadership, and the Governor and Lt. Governor. Find resources on the RSAI web site, including the Jan. 23 call to action, the weekly Education Fact from the Education Coalition, contact information and talking points. <http://www.rsaia.org/legislative.html>

Let me know how we can help with your advocacy efforts.

Margaret Buckton, RSAI Professional Advocate, margaret.buckton@isfis.net 515.201.3755 Cell