These updates are posted on the RSAI legislative web page at <a href="http://www.rsaia.org/legislative.html">http://www.rsaia.org/legislative.html</a>.

The following provides analysis of this week's statehouse action. Now that both chambers have budget targets identified, they can get about the business of establishing priorities and compromises. Keep connecting with your local legislators around finding a path to YES on the state cost per pupil. Find additional talking points in the April 16 RSAI Funding Call to Action, posted on the legislative web page here <u>CALL TO ACTION</u>. Thanks for all you do to advocate for lowa's children! margaret.buckton@isfis.net

You are cordially invited to join us on Wednesday, May 20, 2015 at the West Des Moines Marriott from 6:00-8:00PM to celebrate the first year successes of Rural School Advocates of Iowa. There will be a 15 minute program to start the event. Complimentary appetizers and drinks will be served. This event is organized to make the most of your mileage, for those attending the ISFIS conference on Thursday, May 21. All are welcome, regardless of RSAI member status. Bring your good questions or just stop by to say hello.

To RSVP for this event, please email Traci Giles at traci.giles@isfis.net with the names of those that will be attending.

Three RSAI priority issues for conversations, in addition to adequate funding which ought to be in every conversation:

- PPEL flexibility for bus repair: thanks to House for approving their bill, HF 646, 95:0 sending it to
  the Senate, where it's been assigned to the Senate Ways and Means Committee. Thanks to
  members of both chambers for their unanimous support of various versions of PPEL flexibility.
- Dropout prevention flexibility: RSAI supports the DE proposal to blend uses of at-risk and dropout prevention funding, so we can locally determine how best to serve at-risk students. HF 346 was approved 97:0 in the House and died in the Senate Education Committee, where is did not survive the second funnel deadline, but the language is included in SF 493, Education Appropriations, which is assigned to the Senate Appropriations Committee.
- Extend the state penny sunset: SF 477 was approved by the full Senate, 37:13. RSAI supports full repeal of the sunset but clearly supports the extension to Dec. 31, 2049 proposed in this bi-partisan bill, still assigned to the House Ways and Means Committee. Contact all Ways and Means committee members to support.

## **School Funding: Still Stuck**

<u>SF 171</u> & <u>SF 172</u> State Cost Per Pupil: no action since prior compromise offer on April 1. Republicans propose 1.25% and Democrats have come down from 4% to 2.625%. Ask your Legislators to work together to find a path to YES.

School Funding Lobby from Home Day: Thanks to all who made calls, sent emails and came to the statehouse on *Wednesday, April 22!* Keep the conversation going with legislators and the media. Continued letters to the editor and op ed pieces are valuable to engage the public. If something gets printed in the paper, send a copy with a note to your legislators. Let me know if we can assist in writing or editing any of those for you.

**Revenue Report:** Due to both revenue growth and fewer refunds to taxpayer, revenues are growing at 7.0%, or \$331 million year-to-date through April 22, 2015. The LSA's revised balance sheet after the

REC meeting shows the expenditure limitation for the FY 2016 budget at \$7,422.8 million. House Republican budget targets are \$248 million *below* the expenditure limitation. The entire difference can be covered with prior year budget surplus without touching either the state's cash reserve or economic emergency funds. Those funds are still estimated to be full, at \$750 million in the Governor's FY 2017 budget recommendation.

**House Republican Budget Targets:** shared this week, the House targets are well below the Governor's Budget and the Senate targets. See the comparisons by budget area in the table below (Information from the IALNS Newsletter April 22, 2015 and the Des Moines Register April 23, 2015.)

	FY 2014	FY 2015			
<b>Budget Area</b>	Actual	Estimated	FY 2016	FY 2016	FY 2016
(Dollars in millions)	Approps	Approps	Governor	Senate	House
Admin & Regulation	\$52.8	\$51.8	\$53.2	\$51.9	\$49.8
Ag and Natural					
Resources	\$40.8	\$43.1	\$44.6	\$43.1	\$42.0
Economic					
Development	\$41.4	\$42.6	\$44.5	\$44.3	\$41.4
Education	\$898.9	\$986.1	\$1,022.4	\$1,025.9	\$977.6
Health and Human					
Services	\$1,750.9	\$1,858.6	\$1,930.6	\$1,904.4	\$1,800.0*
Justice System	\$716.4	\$731.5	\$744.3	\$742.2	\$728.0
Standings (includes					
school aid)	\$2,981.0	\$3,280.6	\$3,501.2	\$3,545.2	\$3,500.0
Total	\$6,482.0	\$6,994.0	\$7,340.8	\$7,357.0	\$7,175.0

The largest differences in the targets in the Education budget include Senate and Governor's funding of High Needs Schools Grants at \$10 million and several other of the Governor's initiatives which are omitted from the House Education budget. The \$55 million difference for the Senate's 2.625% increase in the cost per pupil compared to the House's 1.25% recommendation is found in the Standings Appropriations area. We will have a more thorough comparison of the House and Senate Education lineitem budgets next week. The LSA's Notes on Bills and Amendments (NOBA) of SF 493 (linked below) describes in great detail what's in the Senate proposal <a href="here">here</a>.

\*Note about Medicaid Funding: Many newsletters from legislators to constituents have mentioned the need to increase Medicaid state contribution by \$209 million for FY 2016. However, the House Republican Budget targets proposed lowering funds in the Health and Human Services budget area by over \$50 million compared to FY 2015 appropriations, rather than increasing by over \$200. We find that curious. Perhaps there is more of the "new revenue," even by the House Republican calculations, than previously anticipated.

### This Week's Legislative Action

HSB 240 Per Pupil Equity: this bill allows districts with DCPP below the state max (\$6,451) to use cash reserve to fund the difference (as much as \$175 per pupil), beginning in the FY 2016 school year. There is a limit on cash reserve levy, prohibiting a district from levying more dollars in a year that the budget adjustment is claimed compared to FY 2015 base year levy. The subcommittee of Reps. Forristall, Nun

and Gaskill met on Wednesday to discuss the bill. There was mention of another subcommittee meeting potentially next week. RSAI is registered in favor of this bill.

<u>SF 493</u> Education Appropriations: This bill includes the line-item appropriations for the Department of Education, Community Colleges, Regents Institutions, College Student Aid Commission and Department for the Blind. RSAI is registered in favor of this bill. Of particular interest to schools:

- \$10 M for High Needs Schools
- \$55.6 M for Student Achievement Teacher Quality which includes TLC grants for second year participating districts and allocations for beginning teacher mentoring and induction
- \$9.5 M for Successful progression of early readers
- \$1.0 M to AEA's for TLC support for school districts
- \$2.0 M for the Early Warning System for literacy
- \$1.0 M to AEAs for an unspecified purpose (core implementation?)
- Early Childhood Iowa
  - General aid \$5.4 M
  - PK tuition assistance \$5.4 M
  - School Ready Children Grants \$12.4 M
  - Birth to age-three \$1.7 M
  - Early Head Start \$600,000
- \$500,000 to continue the English Language Learner Pilot Project
- \$600,000 for Four-year career planning (new appropriation)
- \$1.5 M Iowa Academic Standards support (primarily in social studies and science) (new)
- Study for school funding per pupil inequities, to include transportation, with report due Dec. 14,
   2015

HF 646 PPEL Flexibility for Transportation Repair: This bill allows school districts to use PPEL funds to repair or maintain transportation equipment if the costs of the repair for a unit of equipment exceed \$2,500, beginning July 1, 2015. The bill was approved by the House 95:0 and is now assigned to the Senate Ways and Means Committee. RSAI supports.

<u>HF 347</u> Childcare at Schools: this bill makes the DHS solely responsible for licensing childcare programs run through schools. Requires the childcare programs to register with DHS unless otherwise exempt. Makes background checks every five years. The senate proposed an amendment to include programs run by local governments and after-school programs and summer programs in the DHS licensing requirement. The House refused to concur with the amendment and sent it back to the Senate, which then rescinded their amendment, which sends the bill to the Governor. RSAI is undecided.

<u>HF 421</u> Community College Technical Instructors: This bill allows a licensed practitioner with a career and technical endorsement and experience as a schoolteacher in that area to count those hours of teaching toward the relevant work experience requirements needed for qualification as a community college technical instructor. The Governor signed it, April 17. RSAI is undecided on the bill.

HF 515 Education Arbitration Costs: this bill allows school districts to use the district management levy to pay for mediation and arbitration. This applies to school budget years beginning on or after July 1, 2016. The Governor signed it, April 17. RSAI supports the bill.

#### Have a great weekend!

We will report further action when it happens. In the meantime, keep advocating for the students in your schools! RSAI Professional Advocate, <u>Margaret.buckton@isfis.net</u> 515.201.3755

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