**RSAI Position Paper State Supplemental Assistance**

**A 2016 Legislative Priority**

**Background:** The Iowa Legislature annually determines the state cost per pupil. This action, formerly known as allowable growth, now known as state supplemental assistance, is considered the revenue to pay for the annual cost of doing business in Iowa schools. Iowa Code [Section 257.8](https://www.legis.iowa.gov/docs/ico/code/257.8.pdf) requires the decision on per pupil funding be enacted by the Legislature and Governor within 30 days of the release of the Governor’s budget in the year prior to the budget year. This gives school districts time to plan budgets, set reasonable tax rates, and bargain salaries with staff. In recent years, during and since the great recession, Iowa’s state cost per pupil has experienced record low increases, falling far short of the cost increase of delivering a good education. The state cost per pupil was not set during the 2015 Legislative Session for the 2016-17 school year as required by Iowa law.

**Current Reality:**

* The 1.25% increase in the state cost per pupil for the 2015-16 school year was signed by the Governor on July 3, two days into the fiscal year.
* The 2016-17 school year level has not been determined, meaning school leaders and communities will not have sufficient time to plan for the next school year.
* Even with $50 million invested in teacher leadership and compensation, the 1.25% is unlikely to improve Iowa’s ranking in the nation, most recently at 37th compared with other states’ per pupil funding levels.
* The costs of staff salaries and benefits continue to rise, as do the costs of curriculum, textbooks, utilities, transportation and supplies.
* Additional requirements demand more resources: early literacy efforts, summer school, before and after school programs, needier students, increasing STEM programs, implementation of higher expectations through the Iowa Core and the goal to graduate every student college or career ready for a successful future.
* Since Iowa’s funding formula is based on enrollment, those districts with fewer students than the prior year are doubly challenged to provide great programs and supports for teachers and schools in this budget challenged environment.

**State Supplemental Assistance 6%:** RSAI supports a goal to get Iowa’s investment in education to the national average. Iowa was $1,612 per pupil below the USA average level of expenditure in FY 2014. Funding per pupil for the 2015-16 school year was both too low and too late in the 2015 Session. Funding for the 2016-17 school year must be determined ASAP as the 2016 Session convenes and set at an adequate level, no lower than 6%. Per Iowa law, funding for the 2017-18 school year must be set within 30 days of the Governor’s budget announcement in the 2015 Session although RSAI would support changing the timing mandate to allow the legislature access to the March REC estimate to set the out year per pupil level. RSAI supports a per pupil increase for 2017-18 no lower than 6%.