

RSAI Legislative Update April 24, 2025

This RSAI Weekly Report from the 2025 Legislative Session includes:

- SSA Awaiting Signature
- HF 787 Education Omnibus Still Pending
- Session Timetable (Week 15+)
- Budget Targets
- Floor Action This Week (Including Governor's Child Care Continuum in the Senate, Open Meetings Penalties, and School Threat Assessment Teams)
- Property Tax Relief Round II: An Update
- Advocacy Actions for the Week and Resources

SSA to the Governor

SF 167 SSA, sets a 2% increase in the cost per pupil plus a few other investments (transportation equity, \$5 DCPP gap investment, operational sharing weighting cap of 25 students). See the April 10 Weekly Report for more details. Once the official signed copy arrives in her office, the Governor has three days to sign it. Although the Governor signed 12 bills on April 18 and one on April 22, none of which impact education, she has not yet signed SF 167. We expect her to sign it once it is received. RSAI was registered in support of the House proposal.

HF 787 Education Omnibus Action (Includes TSS)

The Senate amended and passed the Governor's HF 787 Education Omnibus bill last week, so it was returned to the House, which had previously approved it on March 18, nearly unanimously. The provisions of the bill include:

- TSS calculations, an error correction process for incorrect experience reported last year, and 2% growth (\$13.09 per pupil added to district TSS per pupil amounts after DOM calculates the amount needed to meet the new minimums, including the employer share of FICA and IPERS).
- Reinstates the TeachIowa Job posting site (strikes the requirement for school districts and AEAs to post job openings on the Workforce Development Site).
- Creates a mechanism for districts to receive reimbursement for high-cost out-of-state placements (DE takes enough off the top of the state foundation aid for these high-cost placements, so all districts share in the cost).
- Sets a \$50K minimum pay for returning retirees.
- Provides student teaching flexibility for Intern Teachers.

The Senate amendment specified that the \$50K minimum for IPERS returning teachers applies to full-time teachers and also required the Job Posting in TeachIowa to comply with Iowa Code 216.6 (do not discriminate against a list of factors). The Senate passed the bill 47:0. We are

hearing that the House intends to approve the bill, but has not done that yet. RSAI is registered in support.

Session Timetable

The Session Timetable posted on the Legislative Webpage shows Friday, May 2, as the final day of per diem payments for legislators. They can and will continue to work past that date. With little progress on the state budget, it appears as though they will be working into May.

Budget Targets: Typically, the House and Senate, when under the same party, will set a unified budget target. Senate Republicans set their target early in April, with a spending target of \$9.411 billion. The House Republicans have not yet set a target. The Governor's Budget Recommendation at the beginning of the Session was \$9.434 Billion, which means the Senate is \$23 million below the Governor. The Governor's budget recommendation was \$1.3 Billion below the statutory 99% expenditure limitation. Not unlike the relative chamber positions on SSA, it appears that House Republicans would like to do more than the Senate. We do not anticipate much action on the budget until the House spending targets are released or a joint target is developed. The first two budget bills have seen some action, Federal Block Grants and Transportation, Infrastructure and Capitals. Policy differences on these bills are typically less partisan than others. The Senate has approved both of these, including SF 628 Transportation, Infrastructure and Capitals this week. A good start, but a long way to go on the state budget.

Floor Action This Week

- School Threat Assessment Teams: <u>SF 583</u> allows public and private schools to create school safety teams to assess threats, coordinate actions and intervene. Allows school districts to enter into agreements with other districts to create such teams and authorizes the sharing of information, including court records, and establishes civil immunity for persons who report information to teams. Allows the teams to request records from the State Court Administrator rather than courts. The bill was approved unanimously in both the House and Senate and is on its way to the Governor. RSAI supports this bill.
- **Early Childhood:** the Senate amended and approved the Governor's childcare continuum bill <u>SF 445</u>. Actions of the amendment and information from a new <u>fiscal</u> <u>note</u> follows:
 - Specifies how the funding and grant decision-making will work.
 - Eliminates the Child Development Coordinating Council and requires DE to award grants.
 - Specifies that DHHS and DE plan to reassign staff according to the new program (no new FTEs).
 - Delays the changes to Early Childhood Iowa (ECI) boundaries and governance until July 1, 2026.
 - Codifies the Child Development General Fund standing appropriation at \$10.5 million (which is no change in appropriation since last year's standings bill reduced it to that level).

- Reduces AEAs by \$45,000, increases the programs for at-risk children by \$1.5 million and eliminates the \$3.5 million allocation for innovative programs for early elementary at-risk students.
- Specifies that grants for school districts from the at-risk allocation may be used for three- and four-year-old children, but not five-year-olds. *These combined actions should increase preschool slots by \$5 million according to the Governor's rationale.*
- Creates the Child Care Continuum Partnership Grants Pilot Program and Account under the authority of the DHHS Director, limits HHS allocations to the Account for the year beginning July 1, 2025 through July 1, 2029 to \$5 million from federal funds, and then beginning July 1, 2026, requires HHS to allocate no more than \$11 million from the ECI general fund appropriation to the Account annually.

The bill moves to the House where the companion bill, <u>HF 623</u>, is on the calendar (without the Senate's amendment). RSAI is undecided.

• Adopted Children: <u>HF 248</u> requires employers to treat employees who adopt a child under 6 years of age in the same manner as a biological parent. Approved unanimously in the House and Senate and on its way to the Governor. RSAI did not lobby this bill, but we thought you might like to know and check your employee handbook and local board policy if changes are needed.

Property Tax Relief Round II: More Details

On Wednesday, April 9, new versions of property tax reform were introduced in the House and Senate Ways and Means Committee. Current bill numbers are SSB 1227 in the Senate, with a subcommittee of Senators Dawson, Peterson, Rowley, Schultz and Winckler, and HSB 328 in the House, with a subcommittee of Representatives Kauffman, Bloomingdale, McBurney, Wilson and Wulf. For the description and concerns regarding the new bills, view the latest <u>ISFIS Memo on Property Tax Reform Proposals</u>. Subcommittee meetings have not been scheduled on these bills. Outreach to legislators is encouraged through the end of Session. RSAI is registered as undecided and looks forward to official fiscal impacts by either the LSA or DOM.

RSAI Advocacy Resources

Check out the updated 2025 Session Advocacy Handbook, with everything advocacy beginners and experienced pros can use to advocate with legislators, at the statehouse or back in your district. Find the handbook on the RSAI Advocacy Website at: <u>https://www.rsaia.org/2025-legislative-session.html</u>

Advocacy Actions This Week

Start with a thank you! Thank both Senators and Representatives for the SF 277 Chronic Absenteeism provisions and SF 583 School Threat Assessment Teams.

Property Tax Relief Proposals: Questions & Comments:

- Keep asking questions. Brainstorm with them about unintended consequences. Can we prevent some bad outcomes (e.g., add in SBRC authority for a school board to levy the Management Fund in spite of the fund balance limitation for unusual circumstances)?
- Do they know the outcome, how this combination of ideas will change their own property taxes, or those of their neighbors, let alone entire school districts?
- Encourage a deliberate, careful review of the impact before jumping to change. It would be good to continue to work on these proposals over the interim rather than rush something through and discover an unintended consequence later.
- We appreciate the improvements in Version II of the bill, in the areas of PPEL and Debt Levies, including removing them from the levies limited to 2% growth. However, cutting those levies in half, when valuations will not double, would lower PPEL and debt levy capacity statewide. We have estimated that setting the Debt and PPEL rates at 2/3rds of their current limits would be close to revenue neutral statewide, but that would still lower those capacities significantly for many school districts.

Property Tax Relief Proposals: Suggested Amendments to the Bills:

- 1. Allow districts to request the ability to levy more management fund revenue despite the proposed limitations if they can demonstrate unique or unusual circumstances (perhaps a destructive weather event and a lawsuit occur in the same year).
- 2. Pay for the additional levy buydown with funds out of the Taxpayer Relief fund to the state general fund so that the State can continue to pay for adequate school funding and other essential state services.
- 3. Do not cut PPEL and Debt levies in half. At 2/3rds of prior levy rates, capacity would be closer to current statewide capacity. Allow districts to use higher levies to refinance bonds and pay them off early, saving taxpayers real dollars.

Preschool: Encourage Representatives not to forget public schools when considering the Governor's Child Care Continuum bills, since the bill is on the House Calendar. Public schools need funding for initial preschool programs to expand access to preschool, too. Research shows that quality preschool for enough hours has great benefits (Perry Preschool Project, with \$17 returned benefit for every \$1 invested, had a minimum of <u>15 hours a week, which is 50% more time</u> than Iowa's current SVPP funds). Your own district data on the benefits for those students in full-day preschool is really important to share. Iowa's neediest students not currently accessing either PK or child care might be best served in an all-day PK program. Serving these neediest students well will go far in achieving state priorities, including literacy and math outcomes. The Governor's grants and 1.0 weighting for most at-risk 4-year-olds are compatible policies, both necessary to establish a full continuum of care and instruction. Express thanks to House HHS and Senate Education Committee members for amending the bills to require licensed teachers in the new community provider authorized programs and thanks to the Senate for clarifying funding. See the <u>RSAI 2025 Quality Preschool Position Paper</u> for additional information

Connecting with Legislators: To call and leave a message at the Statehouse during the legislative session, the House switchboard operator number is 515.281.3221 and the Senate switchboard operator number is 515.281.3371. You can ask if they are available or leave a message for them to call you back. You can also ask them what's the best way to contact them during session. They may prefer email or text message or phone call based on their personal preferences.

Find out who your legislators are through the interactive map or address search posted on the Legislative Website here: <u>https://www.legis.iowa.gov/legislators/find</u>

Other RSAI Advocacy Resources:

Check out the RSAI Website at <u>https://www.rsaia.org/2025-legislative-session.html</u> to find Advocacy Resources such as Position Papers, RSAI Weekly Legislative Recap Reports and Videos, RSAI Calls to Action when immediate advocacy action is required, testimony presented to the State Board of Education, the DE or any legislative committee or public hearing, and links to fiscal information that may inform your work. Be sure to review the 2025 RSAI Advocacy Handbook.

Bill Tracker

Check out our separate Bill Tracker for all the bill actions and details for the week, plus what bills are still moving.

Contact Us

Keep in touch with your questions, comments, and let us know about your advocacy actions. *Margaret Buckton, RSAI Professional Advocate, <u>margaret@iowaschoolfinance.com</u>, 515.201.3755 Cell

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