

RSAI Weekly Legislative Update Jan. 23, 2015

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Plan to attend the **Joint Education Coalition Reception on Jan. 26th** at Embassy Suites on the River in Des Moines, following the IASB Legislative Conference, from 5-6:30 p.m. With the House Education Committee work this week to move forward the Governor's budget setting a very low bar for education funding for FY 2016, there's no better time to connect with legislators. There is also a Public Hearing at the Capitol, in the Supreme Court Chambers, at 7:00 p.m. that evening. You can sign up to speak or submit comments in writing at this link: <https://www.legis.iowa.gov/committees/publicHearings?ga=86>

Please let Margaret know who from your district is coming to the reception. We will provide background information at the reception. We hope to see a strong contingent of RSAI school leaders throughout the day Monday! The House should take up full floor debate of the funding bill during the week, so this is perfect timing for your voices to be heard.

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

House Committee Action on School Funding for FY 2016 and FY 2017

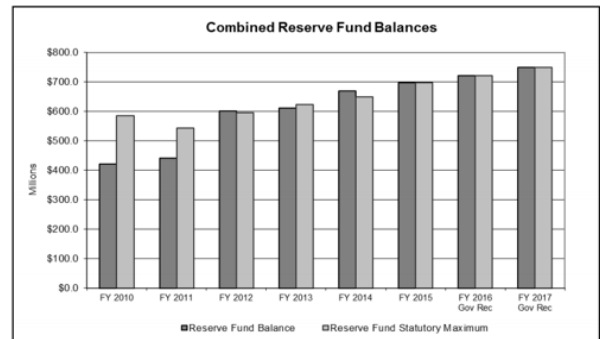
The House Education Committee passed their bills on school funding on Wed., Jan. 21, setting a 1.25% increase for regular program and categoricals for FY 2016 and a 2.45% increase for both in FY 2017. The bills were approved on a party line vote in committee with all Republicans in favor and all Democrats opposed. Rep. Jorgensen, Committee chair, said he's heard from superintendents that they want three things: 1) give all the money to education you can, 2) act quickly, and 3) above all, keep your commitments and don't ever return to the Across-the-board cuts of the past. Given record low levels of funding and healthy cash reserves today, both at the state level as evidenced by the chart below and at the school level, schools are likely 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. Bill numbers follow (RSAI is registered opposed to all):

- [HF 80](#) Sets state cost per pupil increase at 1.25% for FY2016
- [HF 81](#) Sets categorical increase at 1.25% for FY 2016
- [HF 82](#) Sets state cost per pupil increase at 2.45% for FY 2017
- [HF 79](#) Sets categorical increase at 2.55% for FY 2017

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.

Reserve Funds: the Governor’s budget recommendation continues to fill the Economic Emergency Fund and the Cash Reserve Fund to their statutory minimums, over a combined \$740 million in FY 2017 (shown in the chart on the right.)



State Appropriations: The Governor’s budget recommends FY 2016 State General Fund appropriations of \$7.341 billion (increase of 5.0%) compared to estimated FY 2015. The recommendation includes total General Fund resources of \$7.586 billion. This includes the Dec. 12, 2014 REC estimate of \$7.195 billion, revenue adjustments of \$17.2 million, and a surplus carryforward of \$374.2 million, leaving an estimated surplus of \$250 million. The recommendation for FY 2017 leaves an estimated General Fund surplus of \$192.6 million.

Doing the math: Why are the reserve funds and estimated surpluses so important? [LSA analysis](#) of the cost of state foundation aid, at 6% increase in the cost per pupil for FY 2016, including restoration of AEA’s \$15 million cut, total cost to the state is \$265.9 million. This number includes \$50 million to continue the TLC grants in year two for first year implementers. If the Legislators and Governor agreed on 6%, it would cost the state an additional \$181.1 million, still leaving a surplus of \$68.9 million.

Start Date Waiver Conversation: [HF 13](#), with bi-partisan sponsorship, was approved in subcommittee on Thursday, Jan. 22, so moves to the full House Education Committee. The bill strikes the start date provisions in current law and replaces with a requirement that *the school board in a public school and the authorities in charge of an accredited nonpublic school shall determine the school start date for the school calendar.* Meanwhile, DE Director Brad Buck sent school leaders the criteria required to meet the standard in Iowa law. Iowa Code defines the impact on students as negative and significant. The DE distributed the criteria they are requiring for the district to show “Evidence that students affected by the requesting district’s calendar are adversely affected in a **negative and significant** manner by starting school as required by the Iowa Code (before the week in which Sept. 1 occurs), as demonstrated by valid and reliable measures of local academic achievement and/or learning environment.” The Director’s letter includes some very rigorous scientific tests that districts will have to compile in a short timeline to request a waiver by March 15 of this year, in order to start early in Fall of 2015. Coverage in the Jan. 23 Des Moines Register talks about the subcommittee meeting and the State Board of Educations’ past consideration of criteria. RSAI is registered in support of this bill. <http://www.desmoinesregister.com/story/news/politics/2015/01/22/school-start-date-legislation/22173581/>

Other Subcommittee Action:

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

[HSB 9 DHS Licensing of Child Care Facilities](#), was considered in subcommittee and is awaiting further information before moving forward. The bill would eliminate the ability of child care or before and after school care run by school districts on school grounds to claim exemption from DHS licensing standards and instead fit under the DE licensing standards. This bill is offered by the DE, who doesn’t do inspections and until only recently, didn’t know which school district offered programs or communicate with districts about DE licensure requirements. Concerns were expressed about multiple layers of

personnel requirements (such as fingerprint background checks every two year in DHC facilities vs. the every five year records check in schools) and other regulations that might be costly to schools. RSAI is registered opposed to the bill.

HSB 18 Payment of Education for Students in PMIC Facilities, was approved by subcommittee by won't move forward under some of the facilities positions are clarified to legislators on the subcommittee. The bill requires the district of residence to pay the actual cost of educating students in the facilities for students who do not have an IEP, but exempts the requirement if the student is placed based on parent request. Dr. Jeff Berger of the DE stated that it's always been the parent's responsibility to pay those costs if placed by the parent. This bill doesn't address what costs are eligible for payment. RSAI is registered as undecided on the bill.

HSB 19 Interim Study Committee for SAVE fund, was approved this bill, which requests an interim study committee to evaluate the efficacy of the uses of funding from the fund, identify concerns or problems related to the use of funding from the fund, consider proposals for additional or alternative uses of funding from the fund, and consider extension of the repeal date for chapter 423F, submit findings and recommendations to the general assembly for consideration during the 2016 legislative session. Margaret shared the RSAI position paper on repeal of the state penny, showed the reduction in bond issues since the state penny has been in place, distributed information about the bonding capacity left on the table with the shortened window due to the Dec. 31, 2029 sunset, suggesting the interim committee would only delay action for a year. We would prefer the bill simply eliminate the sunset provision of 423F.6. RSAI is registered as undecided on the bill.

We expect much more subcommittee action to continue in the coming weeks so we will keep you posted.

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. 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> These weekly updates are also posted on this page.

Senate Education Committee Monday, Jan. 26: Sen. Quirnbach has requested Margaret to present to the Senate Education Committee on Monday, in Room 22 behind the Senate, at 1:30. Margaret will share the ISFIS presentation from the School Finance Interim Committee, Dec. 19, 2014, regarding the relationship between Iowa's educational expenditure ranking and NAEP score rankings with other states. The original presentation is found here:

<https://www.legis.iowa.gov/committees/committee?ga=85&groupID=21383>

Legislative Reception Jan. 26: The Education Coalition joint advocacy effort continues with the Education Coalition Reception, immediately following the IASB Legislative Conference, at the Embassy Suites in Des Moines, Jan. 26, 2015. This legislative reception is jointly sponsored by IASB, SAI, ISEA, UEN, RSAI and the AEAs from 5:00-6:30 p.m. Hope to see you there!

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

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