



CALL TO ACTION

SAVE Changes in Property Tax Negotiations [SF 2472](#)

May 1, 2026

Background: [SF 2472](#), Property Taxes, was [amended](#) by the House on April 22. The House includes two provisions regarding SAVE (Secure an Advanced Vision for Education/state penny for school infrastructure). It diverts SAVE dollars by phasing in up to 25% of the state penny revenue for property tax relief and extends SAVE through 2071 to help districts that might need to refinance bonds.

Current Situation: The Legislature is in Session today, Friday, May 1. The House has posted a debate calendar for Saturday, signaling that they are near the end of the Session. We are hearing that the Senate has agreed to divert the SAVE fund to property tax relief, but is not committed to extending the SAVE. If an agreement moves forward, it will be approved very quickly and sent to the Governor.

Advocacy Action: Contact Senators ASAP and tell them the impact on your school district if the SAVE per pupil amount decreases and SAVE is not extended:

- 1. Extension of SAVE from 2051 to 2070:** The extension provides greater certainty for schools and taxpayers. As a reminder, voters in all 99 counties have historically approved local-option sales taxes for school infrastructure prior to their conversion to the state penny. SAVE pays for facilities improvements, safety, technology, buses, HVAC, and new construction, which would otherwise require an increase in PPEL or another bond issue.
- 2. Concerns regarding SAVE diversion for property tax relief:**

Some SAVE already goes to Property tax relief: The [Fiscal Note](#) for HF 546 in 2018, which extended the SAVE through 2051, estimated that 30% of SAVE would lower property taxes by 2048. It will eventually happen, but not this fast and certainly not in spite of any economic downturn.

Accelerated SAVE Diversion: [S-5210](#) diverts SAVE to property tax relief, reaching 25% of the total by 2031. Some schools will be at risk of revenue bond default under normal circumstances. If there is a recession or a drop in enrollment, this diversion will impact more schools.

Why is this accelerated timeline problematic? Over 170 districts are bonded against SAVE future revenue, so may be rushed into a default situation. A reduction in SAVE would require schools to turn increasingly to bond issues and ask voters to raise PPEL.

Advocacy Actions: Call your Senator(s) at the Capitol today to discuss the importance of SAVE to infrastructure plans, students and taxpayers. Urge them to keep the current SAVE formula, which slowly contributes to property tax relief, in place; if that is not possible, extend the SAVE so districts can refinance revenue bonds and avoid default. Find your Senators:

<https://www.legis.iowa.gov/legislators/senate>. Call and leave a message at the Senate Switchboard (515) 281-3116. Follow up your phone call with an email to your Senator with your request. Please let us know if you receive any commitments of support or additional questions from your Senators.

Thank you for your advocacy on behalf of the students and families in your school district!