

**Good News and Gratitude:** Find a way to share some good news with your community/media about something amazing happening in your school district for students. An extraordinary student achievement. A staff member going above and beyond. A new opportunity for students. How the system accommodated a parent's request or individualized attention. Write a thank you letter to your staff and publish it in the local paper. Watch for "Public School Proud" initiative by the Parents for Great Iowa Schools P4GIS in your inbox. Gratitude will keep us going in what is shaping up to be a challenging week.

**Intersection of School Funding, Tax Cuts and School Choice:**

**Funding:** SSA is likely to start in the House this week. Governor proposed 2.5%. House R's may be pushing for more. Senate is historically the low bar. RSAI is requesting 3.75%. Watch for Calls to Action. Attend IASB's Lobby Day on Tuesday. If you can't, lobby from home. Call your Rep. and Sen. and explain that 2.5% is not enough to pay competitive wages and attract and retain the staff our students need for academics, the arts, STEM, activities, transportation, food service, mental health supports and safety. A few key talking points:

- **Iowa has recently slipped to 30<sup>th</sup> in nation in per pupil expenditures**, \$1,280 below the national average. According to Census data released last May, Iowa is 40<sup>th</sup> in the nation in the increase in per pupil expenditures from 2014-2019.
- **Inflation:** PERB and Department of Workforce Development has set the May and June CPI-U at 7.2% and 7.5% respectively. The Chapter 20 ceiling of 3% for arbitrations will realistically be applied to salary increases if districts are taken to arbitration. Our staff have worked so hard this last year to serve students. We need to do more to compete with the private sector (add a local story – what business down the street has bumped up pay and attracted away your paras? How many vacancies do you still have or what's happening with substitutes?)
- **The state can afford it:** The net state cost of 5% SSA, an estimated \$216 million, is less than a quarter of the estimated FY 2022 or FY 2023 Budget Surplus. The Legislature can balance the cost of tax cuts with adequate investment in the priority of public education.

**Tax Cuts:** The House, Senate and Governor have different plans, but all of them significantly reduce income taxes by over \$1 billion. They have enough money to have balanced tax relief and adequately fund schools. If they tip the scale too far to the tax cut side, state revenues will tank and expenditures will have to be reduced. Expect very low or no increases to SSA and possibly across the board cuts when that hits. In this week's ISFIS SitRep Webinar, Larry and Margaret will go over the differences in those tax cut plans and how those will impact school funding in the future.

**School Choice:** SSB 3080 Governor's School Choice Bill introduced Monday 1/31/22 with Subcommittee scheduled for Wednesday at 4:00 PM in the Senate.

The bill allows students in public school in the 2021-22 school year, and kindergarteners beginning in Fall 2022, to apply for a scholarship (voucher) to private school. Watch your email for bill descriptions and details. There are traditional talking points we'll keep reiterating about vouchers in general.

Here's the new twist this year. The bill requires the state to deposit the equivalent of about 30% of the SPPP for every voucher into a fund for an "Enrollment Supplement Fund" paid to districts with budget enrollment of 500 or less. If 90% of kindergarteners next year qualify, the DOM would calculate the total in the fund and divide it equally among all of the districts with less than 500 students. We are skeptical that enough parents will apply coming out of public school, since there are already state-funded scholarships (through STOs) for the same eligibility of 400% of the federal poverty level. But we'd think most incoming kindergarteners would apply. Every district would get the same, beginning in FY 2024, which we are guessing will be around \$62K but could be higher. Our advocacy response to this plan:

- We thank the Governor for recognizing that small schools have budget challenges when they lose just a few students. Iowa is one of only 16 states without funding identified for schools based on being isolated or essentially small schools. It would be more cost-efficient for the state to create such an appropriation rather than have small schools dependent on the decision of parents to send their child to a private school.
- RSAI is registered as opposed to the bill. The best way to fund all schools is through adequate SSA.
- Voucher plans across the nation start small and grow over time, costing the state \$100s of millions to half a billion dollars. In combination with the proposed tax cuts, this will further challenge the ability of the state to adequately fund public education.
- Some of the districts below 500 could lose 9 or more students to a private school, making them actually lose funding in the total calculation.
- This creates another inequity: since it's based on budget enrollment, the funding does not recognize open enrollment in either direction. A school with 502 budget enrollment that loses 100 students to a neighboring district would get no enrollment funding supplement while a school with a budget enrollment of 398 that gains 100 students through open enrollment would get the supplement. The budget challenge for meeting accreditation requirements and adequately attracting and retaining staff is driven by the enrollment served.

**Resources:** Check out the RSAI website for Position Papers, weekly updates and other advocacy supports. Copy Margaret Buckton on outreach to your legislators or share what you submit to your local press. Contact Dave Daughton or Margaret Buckton with any requests for assistance or specific advocacy responses to your legislators. See [www.rsaia.org](http://www.rsaia.org) for contact information and advocacy supports.

Thanks for all you do for the students of your districts!