**RSAI Legislative Update
Feb. 2, 2018**

These updates are posted on the RSAI legislative web page, along with the weekly Capitol Recap Video, at <http://www.rsaia.org/legislative.html>.

The legislature continued work on bills in subcommittees and committees, as they are approaching the Feb. 16 funnel deadline. This update includes news about school funding bills setting SSA at 1%, House Republican press conference announcing their plans for a school funding package, a bill setting the Iowa Tests as our state test and other legislation moving forward. Also, some analysis of recent numbers you may have heard or seen in legislative newsletters or in the media ($735 million increase in funding, 800 new teachers, 4th in the nation in education funding, etc.) Thanks for all you do to advocate for Iowa’s children. margaret@iowaschoolfinance.net

**SSA:** The House and Senate both moved bills in subcommittee and committee this week, setting the FY 2019 state cost per pupil increase at 1%, including an increase of 1% for categorical funds and continuing the practice of the state assuming what would otherwise be the property tax contribution to the growth. The rate is required to be set within 30 days of the release of the Governor’s budget, which is Feb 8. The bill is estimated to provide $32 million in state funds, but also assumes continuation of the $15 million cut to AEAs. This is lower than the Governor’s budget recommendation, which was 1.5% or $54 million. Impact on schools:

* Increases the state cost per pupil by $67
* Sets new state cost per pupil of $6,731
* Leaves 183 school districts on the 101% budget guarantee
* Even with the budget guarantee, 103 districts will experience a net reduction in funds available compared to FY 2018.
* The property tax relief payment (the amount that would be paid by property taxes if the normal working of the formula was not interrupted) costs the state $91 per student for a total of $52 million. It’s the line on your district’s aid and levy worksheet called the property tax relief payment.
* The increased employer share of IPERS uses just over half of the per pupil increase, leaving just under one half of one percent in real new authority for staff, technology, textbooks, transportation, utilities, insurance, program and course costs.
* School districts typically experience around 3% increase in the costs of doing the business of school, assuming no change in enrollment, before applying the required IPERS cost increase.
* These bills are [SF 2164](https://www.legis.iowa.gov/legislation/BillBook?ba=SF%202164&ga=87) and [HF 2230](https://www.legis.iowa.gov/legislation/BillBook?ba=HF%202230&ga=87).

RSAI is registered as undecided on this level of funding, with school leaders grateful to have been spared in the deappropriations process, but still acknowledging that continued consecutive years of low funding increases are disappointing and more difficult to implement every year. See the ISFIS New Authority Report for impact on your district [here](http://www.iowaschoolfinance.com/system/files/members/Excel/New%20Authority%20Report%20FY%202019%201%25.xlsx).

**House Republican Press Conference on the School Funding Package:** The House Republican Leadership announced in a press conference on Thursday their school funding and flexibility package for PK-12 education. In addition to the 1% increase in SSA, the package includes:

* **Creation of a transportation fund:** appropriate $10 million in a transportation fund to buy down transportation costs in districts with the highest costs compared to the state average. HF 221 moved out of subcommittee on Thursday and appears to be the vehicle for this plan. IASB shared a spreadsheet with legislators and volunteered to help with amendment language. It is unclear if this policy is meant to replace SF 455, but if so, RSAI would have some reservations. SF 455 includes formula equality and a 10-year investment in complete transportation expenditure replacement, both of which provide resources for all districts. The concept of distribution of funds during the phase in of SF 455 might consider this approach, to apply the transportation funds first to those districts with the highest costs, but we do not believe this approach is sufficient for equity. RSAI was initially registered in favor of HF 221, which was filed last year before SF 455 was approved unanimously in the Senate. We will wait to see amendment language and the impact on districts before registering on the changes.
* **Extension of the SAVE fund.** At the press conference, the list included potential reforms on the use of funding (“limitations on athletic facilities and putting more toward school debt repayment”) and shifting more to the Property Tax Equity and Relief (PTER) Fund which buys down the highest additional levies in the state. Extension of the state penny is an RSAI priority, however, we will reserve our endorsement until we see the legislation.
* **Additional Local School Board Flexibility**
	+ Remove DE from the approval process on at-risk/dropout prevention
	+ Include language requesting DE to rewrite school finance rules in the school finance chapter (98) with the new Home Rule law as a framework
	+ Governor Reynolds’ Early Intervention Block Grant plan

[**HF 2235**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=hf2235) **State Assessments**: This bill (text on the right) requires the state board of education/DE to specify in Rules that our state test is the Iowa Tests. This current RFP, which was awarded to the American Institutes of Research, AIR, is currently being appealed by Pearson, the vendor which submitted a proposal with the IA Tests. A decision by the administrative law judge hearing the appeal is expected within two weeks. RSAI expressed concerns at the subcommittee meeting included skepticism about alignment and needing an independent third party to confirm alignment with standards, lack of formative assessment tools, and confidence in the RFP process and education professionals knowing best what assessment will drive instructional improvement. We also shared our disapproval of a state report card, with 2/3rds of the measures tied to an unaligned test. To our knowledge, the new IA test has yet to be developed, and there is no science test yet developed aligned to the Next Generation Science standards, so claims that the IA tests are better aligned to the Iowa Core than the AIR assessments are impossible to verify. The lobbyist for Pearson did state during the subcommittee meeting that their RFP proposal included agreement to have an independent third party to confirm alignment once the tool is developed. RSAI Is registered opposed to this bill. The bill was approved by the House Education Committee 21:1 (Rep. Staed of Cedar Rapids was the lone no vote.) If you also have concerns, it would be timely to let your House members know soon, as the plan may be to approve this bill before the ALJ comes out with a ruling that we believe will most likely verify that the RFP process was followed and above board.

Section 1.  Section 256.7, subsection 21, paragraph b, subparagraph (1), Code 2018, is amended to read as follows:
   (1)  Rules adopted pursuant to this subsection shall specify that the ~~approved district-wide~~ statewide assessment of student progress administered by school districts for purposes of the core academic indicators shall be the ~~assessment utilized by school districts statewide in the school year beginning July 1, 2011, or a successor assessment approved by the state board for school years beginning on or after July 1, 2018~~ assessment developed by the Iowa testing program within the university of Iowa college of education and administered by the Iowa testing program’s designee.

    Sec. 2.  EFFECTIVE DATE.  This Act, being deemed of immediate importance, takes effect upon enactment.

[**SF 2117**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=SF%202117) **Deappropriations for FY 2018:** It is important to keep in mind that other entities depending on state funding are well below appropriation levels in prior years, such as community colleges and regents’ institutions. So far, SF 2117 does not directly impact PK-12 school districts, but the DE is facing another cut, this time $1.7 million. We will keep you posted at this bill is debated in the Senate. The House does not yet have a companion bill assigned to their Appropriations Committee.

When talking to legislators this weekend and through next week, remember that good lobbying is “gentle persuasion applied relentlessly.” Be an advocate, but be kind and thank them for their work and for sparing PK-12 from onerous cuts. But do not withhold sharing what impact low funding and continued inequities have on your students.

**Subcommittee and Committee Action:** Details and RSAI position follow.

[**SF 2137**](https://www.legis.iowa.gov/legislation/BillBook?ba=SF%202137&ga=87) **School Bus Times Local Authority:** this bill allows school board to increase ride times for elementary from 60 to 75 minutes. A school board may further extent the time with a public process of two public hearings, notification of stakeholders, and adoption of a resolution at a subsequent board meeting. The bill also allows a school board to extend ride time to meet specific educational needs. The bill was approved in the Senate Education Committee and is now on the Senate Calendar. RSAI is registered in support.

[**SF 2130**](https://www.legis.iowa.gov/legislation/BillBook?ba=SF%202130&ga=87) **Timing of Expiration of New Teacher License:** This bill allows a new teacher license to expire at the end of the school year, rather than on the teacher’s birthdate as all other licenses are timed. RSAI is registered in favor.

[**SF 2131**](https://www.legis.iowa.gov/legislation/BillBook?ba=SF%202137&ga=87) **Home School Access to ILO:** This bill allows all three categories of home schooling (competent private instruction, independent private instruction or private instruction) to access courses provided by Iowa Learning Online. The bill requires the home school parent to pay a fee for accessing the coursework. RSAI is monitoring this bill, which has been approved by the Senate Education Committee.

[**SSB 3119**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=ssb3119) **Civics Exams:** This bill requires students to pass the civics exam required of individuals applying for US citizenship as a condition of graduation from high school. The bill allows students to start taking the test in 7th grade. RSAI is registered opposed to this bill. We don’t support additional use of high stakes testing and believe that local leaders are in the best position to determine course content and assessment. This bill has a subcommittee scheduled for early next week.

[**HF 2031**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=HF2031) **Elective Social Studies Course Emphasis on the Bible**: this bill requires the State Board of Education/DE to write standards for three social studies courses in grades 9-12, on the Hebrew Scriptures, New Testament, and Hebrew Scriptures and New Testament combined. The bill prescribes some of the content requirements of the standards. RSAI is registered as undecided on the bill. Schools may already teacher comparative religion or other courses that use the Bible or other religious teachings or books, not only in social studies, but also in literature. We expressed concerns at the subcommittee about the state’s involvement in creating such standards as crossing the line separating church and state. Two members of the subcommittee signed the report and the bill moves to the House Education Committee.

[**HF 2072**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=HF%202072) **Operational Function Sharing for Social Workers:** This bill adds social workers to the list of positions that generate supplementary weighting if shared, but does not change the maximum cap of 21 students’ worth of weighting. RSAI is registered in favor of this bill. The bill moves to the full education committee.

[**HF 2073**](https://www.legis.iowa.gov/legislation/BillBook?ga=87&ba=HF%202072)**: Social Workers/ DoP:** this bill includes licensed therapists/social workers as allowable expenses of DoP/At-risk funds. The bill adds licensed social workers as allowable staff for whom salaries and benefits may be prorated to the Dropout Prevention code section. Since the Code already allows school districts flexibility to use funds for purposes not articulate in the statute and allows proration of staff time and contracting for services, RSAI supports the use of DoP for mental health services including hiring or contracting with licensed staff, but is registered as undecided on the bill since this authority is already granted. The bill is on the House Education Committee agenda.

**Explaining the Numbers:** There have been many references to specific numbers by the Governor, legislators and in the media. Here’s what we know:

***$735 million spent on Public Education, now $765 million.*** These numbers reflect the increase in state foundation aid appropriations. From FY 2011 through FY 2018 it is $735 million. From FY 2011 through FY 2019, if the 1% SSA bills passes, that’s the $765 million. This last number is stated as a 31% increase (it is over 8 years.) These numbers are factually correct. In looking at the $735 million (since the 1% for FY 2019 isn’t yet law), consider the following:

* $97 is the combined annual increase in state aid that offsets property taxes (moving from 4 to 5 years of ELL state funding, commercial and industrial property tax hold harmless and property tax replacement payment)
* $70 million is due to growth of 10,000 public school students statewide
* $150 million is Teacher Leadership, which is a wonderful program with great potential, but those funds are restricted and not available for lowering class size or purchasing technology, utilities, textbooks, etc.
* $39 million in other appropriations cuts outside the formula are not measured in that number, including $14 million for Instructional Support, $15 million for AEAs, $4.5 million for Teacher mentoring and Induction, and another $5 million in combined smaller cuts. This also doesn’t include the $10 million in high needs schools grants that was appropriated twice in out years, but never funded.
* Net of $379 million new education funds to schools since 2011, works out to $54 million annually, 15% over the seven-year period, or an average net increase of 2.2% at a time when school costs have grown closer to 3-3.5%.

**“2,363 new full time teachers, with a student to teacher ratio of 13.5, lower than 2011.”**

* The Teacher Leadership and Compensation plan requires that 25% of teachers have a leadership role in districts.  Those teacher leaders are awesome, adding value to the whole system in improving instruction.  But most are not in classrooms anymore with their own roster of students. The DE Condition of Ed report shows the growth in the number of FTE teachers since 2009 as 2,661.
* In FY 2017, Iowa has 36,279 full time teachers, which means the 25% which are teacher leaders is 9,079.  If only half of those teacher leaders are outside the classroom (and that's generous - it's probably more), we should have added 4,500 teachers in the last four years.
* Growth of 10,000 students statewide since 2013-14, so some of that teacher growth is to staff the new classrooms needed to serve those students.
* The only way schools have been able to staff the requirements of the TLC plan and staff those new classrooms is by laying off other positions, not replacing classroom teachers that are retiring, and increasing class sizes.  So the 13.5 student/teacher ratio is not a statistic that tells the whole story about class sizes our students are experiencing, as most parents can tell you.
* Funding TLC at $150 million while not funding the regular classroom due to record low increases in the formula means a shift.  We are balancing the budget and staffing the TLC by not replacing, in our estimate, about 2,000-3,000 teachers statewide growth that Iowa school districts would have experienced but for record low funding increases.

**“4th in the Nation in school funding” or “bucking the national trend in school funding”**

* This is a reference to the Center for Budget and Policy Priorities study, Nov. 2017, which compared FY 2008 state funding for schools with 2015 state funding for schools. The researchers did not include the SILO sales tax in the 2008 based, since it was a local option tax. By 2015, that $420 million was considered a state revenue source, which clearly inflates the statistic. So instead of the 20.9% increase in state funding over the time period, Iowa’s real net funding increase to schools was closer to $4.9%.

**Advocacy Actions this week:** Suggested actions:

Senate Switchboard # 515.281.3371

House Switchboard # 515.281.3221

From links above or the legislative page <https://www.legis.iowa.gov/legislators> , find email addresses, home mailing address and home/work phone numbers for you legislators.

* Follow up with thank you notes and additional information to legislators you spoke with during IASB and AEA lobby days.
* Contact House members about assessments. Schools need a quality, aligned assessment in order to drive instructional improve and report accurate results in the state report card.
* Contact House members, especially those on the [Appropriations Committee](https://www.legis.iowa.gov/committees/committee?ga=87&groupID=695) that SF 455 Transportation and Formula Equality, is in their court. Remind them of the impact (use the look-up tools on the RSAI legislative page for details) and keep the urgency on getting the first step taken to solve these long-standing inequities.
* State penny extension. Use the RSAI position paper chart of property tax backed bond issues to show legislators what will happen if the sunset is not extended. Show them the needs of your district and explain how you’ve used the sales tax so far. Let us know if they are supportive of extension or have concerns.
* See the new RSAI position paper on School Choice and connect with your parents and legislators on the priority of public schools.

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