

# RSAI Legislative Update April 4, 2025

This RSAI Weekly Report from the 2025 Legislative Session includes:

- SSA Still Stuck
- Funnel Week: What happened?
- Unfinished Business Calendar
- Property Tax Overhaul and Suggested Amendments
- Advocacy Actions for the Week and Resources

# School Funding / SSA Still Stuck:

**SF 167** SSA by the Senate sets the increase per pupil cost at 2%. The House proposal amended SF 167 with Amendment <u>S-3004</u>, is still awaiting action on the Senate Calendar. It's in the Senate's Court (or at least, on their calendar) to react to the House amendment. They will come to an agreement, hopefully soon. The additional investments in the House proposal include:

1) \$10 per pupil applied to the minimum state cost per pupil, to close the district cost per pupil equity gap to \$130,

2) an increase in the transportation equity fund sufficient to reimburse all districts with transportation costs per pupil above the state average,

3) increase in the operational sharing student weighting cap from 21 to 25, and 4) supplemental appropriation of \$23.6 million distributed to districts based on enrollment, estimated at \$47 per pupil, in the 2025-26 fiscal year. This supplemental appropriation is one-time and is not expected to be carried forward into the future.

RSAI is registered in support of the House proposal and opposed to the Senate proposal.

# Funnel Week: What Happened:

First, a little information on the process. The funnel deadlines are self-imposed legislative rules that stop forward progress of hundreds (or thousands) of bills to focus attention on those that really have a chance to get to the Governor's desk. Here are the categories:

- Survivors: Any bill approved in its chamber of origin and then approved in the other chamber's committee survives this second funnel deadline of April 4.
- Unfinished Business: House and Senate leaders moved a few bills to their unfinished business calendars as a procedural move to keep them alive past the funnel (e.g., Governor's Childcare Continuum, TSS Calculations, School Threat Assessment Teams, and Civics Test Requirements are among the many this category).
- Exceptions: Ways and Means (tax bills), Appropriations (spending bills), Leadership bills (anything the leaders agree to work on)
- Dead Bills: all of the bills that are not in one of the categories above. There are hundreds in each chamber. Look to our tracking documents for information. (Unfortunately, school start date bills in both chambers are in this category of dead bills.)
- "Zombies": dead bills can reappear as amendments to other bills (e.g., chronic absenteeism in the 2024 Session). When bills move forward via amendment, they often

don't benefit from the expertise of key legislators and lobbying groups. So the next Session, corrections are often required. SF 277 Chronic Absenteeism is a good example of the this need to correct.

Below is the action for this week. There was no floor debate in either the House or Senate as they concentrated on subcommittee and committee work (about 120 bills were approved by committees).

#### Signed by the Governor:

Gov. Reynolds signed 12 bills this week, none related to education. We should all attend to SF 22, Hands-Free Driving, however, which makes texting or other phone activities using your hands while driving illegal.

#### Approved in Committees this Week (Funnel Survivors):

#### House Education Committee:

<u>SF 176</u> Virtual Open Enrolled Students in Resident District Extracurriculars: As amended, the bill does not change much. It just clarifies that the student can participate in resident district athletics not offered by the attendance center they are open enrolled into. RSAI is registered in support of the clarification, and the bill moves to the House Calendar.

**SF 277 Chronic Absenteeism Clean-up:** Requires DE in consultation with the Iowa County Attorneys Association, to develop sample policies for county attorneys to reference in determining course of action on truancy, adds activities to absences which must be in school board policy as excused from chronic absenteeism counts (military, weddings and funerals), adds ways to contact parents regarding a student's absenteeism status (does not mandate certified mail), and requires school leaders to provide a school engagement meeting for students at the 15% chronically-absent threshold if the student's academic achievement is negatively impacted by absences. RSAI requested many of these provisions and supports the bill, now on the House Calendar.

#### Senate Education Committee:

## HF 189 Non-Public Students in Public Extracurriculars

Allows students attending non-public schools to participate in extracurricular activities at a public school if the student resides in the school district or a contiguous school district and the non-public school does not offer the activity. Requires the non-public school to have dropped the sport at least two years earlier. Requires the schools to reach an agreement. Prohibits the public school from charging a fee to the student that exceeds any fees paid by public school students. Requires the student to meet code of conduct standards. Counts 1/4 of the enrollment of the private school in determining classifications. Sen. Kraayenbrink anticipated an amendment on the floor to require some kind of payment for participation since extracurriculars are expensive. The bill was passed 11-5 and moves to the Senate Calendar. RSAI is opposed.

**HF 315** School Budget Adjustments: Makes school districts that are in a major disaster area and that receive a budget adjustment eligible for to continue the budget adjustment (budget guarantee) at the higher amount for a second year. The bill was passed 16-0 and moves to the Senate Calendar. RSAI supports it.

<u>HF 316</u> Industry-Standard Certificates and Career Education: Requires the DE to develop seals that can be affixed to high school transcripts that show a student has achieved an industry-standard certification prior to graduation. Requires the DE to create a list of approved certifications. Establishes reporting requirements for schools. Changes career planning and pathway courses for grades 5-8. The bill was passed 16:0 and moves to the Senate Calendar. RSAI is undecided.

**HF 392** Year-round School Calendar Waiver: Extends the current year-round school waiver process that applies to K-8 schools to include high school grades (9-12). See <u>Iowa Code 279.10</u> subsection 2 (a-d) for conditions required in a year-round calendar waiver application. RSAI supports the bill, now on the Senate Calendar.

**<u>HF 393</u>** Measuring School Dropouts: Requires that a student who drops out of school only counts against the district's dropout rate once. Approved 16:0. RSAI supports, now on the Senate Calendar.

<u>HF 471</u> Concussion Management: Includes persons holding a doctorate in psychology with training in neuropsychology or concussion management as a health care provider for concussions for high school sports. Approved 16:0 and moves to the Senate Calendar. RSAI is undecided.

#### HF 579 Dropout Prevention & At-Risk Limitations

Increases the maximum modified supplement for at-risk students, dropouts and students in alternative high schools from 2.5% to a max of 5%. Includes provisions on approving the amount at an election and phases in an increase (0.5% per year). Approved 16:0 and moves to the Senate Calendar. RSAI supports.

<u>HF 785</u> Charter School Board Members: Allows one member of a charter school board to be a non-lowa resident. Approved 11:5 and moves to the Senate Calendar. RSAI is opposed.

**HF 856 Banning DEI Efforts:** Prohibits state and local governments from spending money on diversity, equity and inclusion offices or officers. Prohibits promotion or promulgation of policies and procedures designed or implemented with reference to race, color or ethnicity or any effort to promote or promulgate trainings, programming, or activities designed or implemented with reference to race, color, ethnicity, gender identity, or sexual orientation. Prohibits promotion as the official position of the state entity (or local government) a particular, widely contested opinion referencing unconscious or implement bias, cultural appropriation, allyship, transgender ideology, microaggressions, group marginalization, anti-racism, systemic oppression, social justice, intersectionality, neopronouns, heteronormativity, disparate impact,

gender theory, racial privilege, sexual privilege, or any related formulation of these concepts. Includes exceptions for academic courses and speakers, requirements of state and federal law. Defines gender identity as the identity assigned at birth. Authorizes the AG to bring enforcement actions and authorizes various persons to bring civil actions. Effective on enactment. Amended to remove private colleges from the bill. Passed 11-5. RSAI has changed our registration to opposed, as many of these terms are not defined. It is not clear how these restrictions will impact classrooms or if guidance or rules will assist schools in resolving conflicts between state and federal law.

**HF 865 Bullying and Harassment Definition:** Strikes from the definition of bullying and harassment at schools reference to any actual or perceived trait or characteristic of a student, and instead defines it as repeated and targeted conduct toward a student that creates a hostile environment that meets specific conditions already listed in the Code (Section 280.28 subsection 2.) Strikes subsection c which includes the list of characteristics ("Trait or characteristic of the student" includes but is not limited to age, color, creed, national origin, race, religion, marital status, sex, sexual orientation, gender identity, physical attributes, physical or mental ability or disability, ancestry, political party preference, political belief, socioeconomic status, or familial status.) RSAI is registered undecided on the bill, which moves to the Senate Calendar.

**HF 884 School Chaplains:** Allows public schools, innovation zone schools and charter schools to have a volunteer chaplain. Does not require the chaplain to be licensed or authorized by the BOEE but allows schools to adopt credentialing requirements. Prohibits a school from requiring or coercing a student from participating in activities with the chaplain. Prohibits hiring or using a chaplain in lieu of a social worker, as well as a school counselor. The bill was amended to require accreditation, training and reporting requirements. Passed 11-5. RSAI opposes the bill.

## **Other Committee Action:**

- <u>SF 574</u> Construction Retainage: Limits retainage payments to 3% (current law is 5%). The bill was approved by the House Ways and Means Committee, sending it to the House Calendar. RSAI was opposed to the original bill, which was heavily amended to get to this simplified retainage age. With these changes, we have changed our registration to undecided.
- <u>HF 395</u> School Bus Driver Training: Requires schools to accept as proof that a school bus driver has completed the entry-level driver training federal requirements in an approved course as long as it has passenger endorsement training and school bus endorsement training. The Senate Transportation Committee approved the bill, sending it to the Senate Calendar. RSAI supports.
- <u>HF 706</u> Open Meetings Enforcement: Increases the range of damages for violations of the Open Meetings law (\$500-\$2,500 for violations and \$5,000 to \$12,500 for knowing violations). Requires a court to order the removal of a board member for open meetings violations, regardless of whether damages are assessed. Requires board members to complete training in Open Meetings/Records laws within 90 days of assuming office/oath. Requires the Iowa Public Information Board to develop/approve such training. Makes a

member subject to damages for not completing training. (NOTE: board members, not the district's insurance policy, must pay any ordered damages, which may be assessed for each individual violation). The Senate Committee on State Government approved the bill, sending it to the Senate Calendar. RSAI is undecided.

## **Bills on the Unfinished Business Calendars:**

On Thursday, the House and Senate moved several bills that would otherwise have not technically survived the funnel deadline to the Unfinished Business Calendars of the House and Senate. (House files are on the House Calendar and Senate Files are on the Senate Calendar.) Here are the bills that we are following:

HF 163 Safety Assessment Plan: RSAI supports

HF 165 Civics Test Graduation Requirement: RSAI opposes

HF 167 Grooming Definition: RSAI supports

HF 391 Human Growth and Development Video: RSAI opposes

- HF 623 Governor's Childcare Continuum: RSAI is undecided
- HF 771 Purple Star Initiative: RSAI supports

HF 835 Seizure Disorder Training (no Work Group): RSAI opposes

- SF 6 Immunization Exemption Information: RSAI is undecided
- SF 211 On-line testing: RSAI supports
- SF 368 Seizure Disorder Training and Work Group: RSAI undecided
- SF 369 Civics Test Graduation Requirement: RSAI opposes
- SF 442 Governor's TSS and Education Policy Omnibus: RSAI supports
- SF 445 Governor's Childcare Continuum of Care: RSAI undecided
- SF 450 Governor's Math Counts Initiative: RSAI undecided
- SF 510 Religious Instruction in Social Studies: RSAI undecided
- SF 517 Child Abuse School Investigations: RSAI opposes
- SF 525 Federal Nutrition Waiver and Ingredients: RSAI opposes

## Property Tax Proposals in Both Ways and Means Committees:

Conversations continue on the property tax proposals. See the updated <u>ISFIS memo</u> for a complete bill summary and impact on schools and taxpayers. Expect conversations to produce amendments to change the bill. See advocacy actions below. RSAI is undecided. Some highlighted concerns:

- Rate Limited Property Taxes (e.g., VPPEL and Debt Levy, etc.) Starting FY 2027, any
  property tax rate that is limited by law to a specific rate can only be imposed if it was
  previously imposed in the fiscal year beginning July 1, 2025 (which is FY 2026). The only
  growth allowed on such levies is an additional 2% of the actual property tax dollars
  certified. This provision would impact board PPEL, VPPEL, PERL and debt service.
  Additionally, any action in the future to lower a levy would set a new base as the 2%
  limitation is based on the prior year's property tax dollars generated. WE have heard
  that this prohibition was intended only to be during a "blackout period" while the
  rollbacks are phased out and expect amendments.
- Management Fund Limit Calculation: To calculate the maximum for FY 2028, take the average expenditures of FY 2024, FY 2025, and FY 2026, multiply by 180%, and subtract

FY 2026 unexpended fund balance. Unexpended Fund Balance is defined in the bill through reference to IC 257.2 (13) *as unreserved and undesignated fund balance*.

• State Funding for Schools: the state budget is already limited by income tax cuts and resistant to providing additional funding for school districts. The action for the state to assume the financial obligation of the additional levy, an estimated \$373 million, would further contribute to the state's challenge in providing adequate funding.

## **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!** Find something on the committee action or unfinished business calendar lists above (such as <u>HF 787</u> Education Omnibus Bill with TSS, <u>SF 583</u> School Safety Assessment Teams or SF 277 Chronic Absenteeism Clean-up) that you support, and tell them you appreciate that they moved it forward.

## Property Tax Relief Proposals:

- Approach the conversation with an open mind. Property taxes continue to be an issue. Offer to be a resource.
- Express concern about the inability to levy the PPEL or a debt levy if you do not currently have one. School renovation and construction is cyclical, not constant.
- Ask how the state will afford the bigger commitment to the school funding formula? How much property tax relief is enough?
- Brainstorm with them about unintended consequences. Can we prevent some bad outcomes?
- Discuss any of the suggested amendments below and discuss pros and cons of the current bill draft, including consequences for your school and students.
- Network with city and county leaders. Explain how schools are budget-limited through the formula (for schools, tax rates are more about valuation and enrollment changes – and it's tough, when enrollment declines, cutting the budget. Can you find common ground on the limitations or other provisions?)

## Suggested Amendments to Property Tax 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. Two possibilities regarding fixed levies during the rollback phase-out:

a. Allow PPEL and Debt Levy approved by voters or board PPEL approved by the board: During the blackout period (as the rollbacks are being eliminated), require DOM to calculate what the taxable value would have been using the FY 2025 rollback, and then DOM adjusts the rate accordingly). Once rollbacks are

eliminated, revisit the PPEL and Debt rate limits and adjust based on higher valuation.

b. Change the base year for PPEL or Debt Levy moratorium to July 1, 2026 (some districts have put a lot of work and cost into preparing for ballot initiatives this November). Allow any voter-approved PPEL or Bond that is authorized by voters before July 1, 2026 to go into effect as stated on the ballot.

3. Calculate a valuation levy growth limit for those rate-limited levy purposes to be 3% plus the value of new construction in the district. (Construction costs, which is what PPEL and Debt Levy pay for, grow faster than inflation. A CPI growth index limit plus the value of new construction will still be challenging.)

4. Pay for the additional levy buydown with funds out of the Taxpayer Relief fund to the state general fund can continue to pay for adequate school funding and other essential state services.

Adequate School Funding: Contact legislators regarding SSA every week until it's done. Find teachable moments to trigger a message. For example,

- Taxpayers have received statements. The information in those notices is not accurate pending the final SSA decision.
- School districts have held public hearings to get input from taxpayers on the proposed budget. School Budget proposals are not final until SSA is known.
- Decisions to continue teaching contracts and settle negotiations are dependent on knowing both the SSA rate and the TSS per pupil for a school district. (Get SSA done and get HF 787 TSS Calculation over the finish line in the Senate).
- There are many bills surviving the funnel deadline that include unfunded mandates. Schools depend on the very best funding the state can provide to be able to fulfill any new legislated expectations.

The House's 2.25%++ is a preferable policy and RSAI is registered in support. The teacher salary investment last year was a really good start to attract future teachers, but SSA has to keep pace or our staff and programs for students will be compromised. See the <u>RSAI 2025 Adequate</u> <u>School Resources Position Paper</u> for additional information.

**Preschool:** Encourage both Representatives and Senators to not forget public schools when considering the Governor's Child Care Continuum bills. Those bills have not progressed in either chamber. Public schools need funding for initial preschool programs to expand access to preschool. 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</u> <u>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. See the <u>RSAI 2025 Quality Preschool Position Paper</u> for additional information.

**Unfunded Mandates and Implementation Timelines**: remind legislators that any bill requiring staff training or rewriting curriculum costs districts time and money. Unfunded mandates require resources that take away other key issues of district focus. Each mandate should allow time and include funding to implement or at least an adequate increase in SSA so school districts do not have to make tough choices. Many new requirements are already on our curriculum directors' and teacher plates. The State Board of Education has approved new standards (ELA, Science, Math) and the new literacy initiative is currently being implemented. Any additional mandates for changing instruction that require training need thoughtful time and compliance expectations. Thank them for removing the cell phone policy/social media instruction from the bill, but other unfunded mandates are still proposed, such as adding career exposure, planning and experience to middle school grades, a new math initiative or civics initiative, seizure disorder training and plans, gun safety training courses, and the list goes on with every new bill. Please allow the time it takes to do good work, to benefit students. (Look forward to the April 4 report for many of these proposed unfunded mandates which we expect to stall.)

**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

\*Dave Daughton, RSAI Grassroots Advocate, <u>dave.daughton@rsaia.org</u>, 641-344-5205 Cell

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