



**RSAI Legislative Update**  
**March 12, 2026**

This RSAI Weekly Report from the 2026 Legislative Session includes:

- Revenue Estimating Conference Meets and Revises Revenue Projections
- SSA Rhetoric and Information
- Bills to the Governor
- Floor Work in the House and Senate
- Committees move bills along, including Senate Ways and Means’ Amendment of Property Tax SSB 3001
- Advocacy Actions for the Week
- Advocacy Resources
- RSAI Regional Meetings

**Revenue Estimating Conference (REC) Estimates**

The REC met on March 12 and revised the FY 2026 current year state Net General Fund Revenues slightly downward, but were slightly more optimistic about FY 2027. REC members were cautious about unknown economic impacts from conflict in the Middle East, were concerned about federal tax cuts impacting Iowa General Fund revenues, as the Iowa Tax Return is based on net taxable income from the federal tax return, but saw a strong job market and low unemployment as positive factors. See the percentage estimates for growth compared to the prior year as follows:

Category	March 26 REC FY 2026	March 26 REC FY 2027	March 26 REC FY 2028
Income Tax	-12.9%	5.2%	
Sales Tax	4.0%	3.7%	
Corporate Income Tax	-22.9%	3.0%	
Refunds	-2.8%	0.9%	
New Receipts	-9.3%	4.4%	2.9%
Net General Fund Receipts	\$8.111 billion	\$8.472 billion	\$8.717 billion

The FY 2027 State General Fund budget is limited to no more than 99% of available revenues, including annual revenues plus prior year ending balances. With significant surpluses from prior years, likely appropriations levels will be far below the 99% expenditure limitation. Now that the REC March estimate is done, we expect the House and Senate to release their budget targets for appropriations bills in the near future. Expect work on Ways and Means (taxes) and Appropriations bills to continue in earnest for the remainder of the Session. April 21 is the 100<sup>th</sup> Calendar day, at which time, legislators’ per diem reimbursement ends.

## **SSA Rhetoric and Information**

We have received several questions about per pupil expenditure amounts that constituents have seen in newsletters and social media posts by legislators following the passage of [SF 2201](#), which set the per pupil increase for FY 2027 at 2%. As in many cases involving school finance, there are complexities and assumptions that can radically alter interpretations of school funding. Since school budgets are experiencing the combination of lower enrollment and the lingering impact of the 6<sup>th</sup> consecutive year of funding levels below inflation, school leaders are concerned that these claims about per pupil revenues do not describe the reality they are facing.

Whether the messages claim that public schools have over \$19K or \$24K per pupil, it is important to respectfully engage in dialogue about the assumptions. What funds are included? Are there any duplications? Are some of those funds parent or private dollars (nontaxable money)? What students are being served (does the total enrollment include preschoolers, dual-enrolled or home school assistance students or private school students receiving public school services, for example)? ISFIS prepared a list of questions and other comparisons that will help school advocates start these conversations. See that analysis on the [ISFIS Webpage](#). We advise that advocates do not engage on social media conflict over the numbers, but have a real conversation about what you know about your district's financial situation and what services for students are at risk with continued low funding increases.

***See advocacy messages below regarding low SSA and unfunded mandates.***

## **Bills to the Governor**

- **[SF 579 Local Civil Rights Commissions](#)**: Requires a complaint filed about a local government be sent to the Iowa Civil Rights Commission. Sets timelines for complaint resolution. Limits local Civil Rights Commissioner terms to two years. The bill was amended to prohibit cities from providing more civil rights protections than state law. Approved 29:16. Signed by the Governor. RSAI was not registered on this bill.

## **Floor Work in the House and Senate**

- **[HF 2538 School Violence Policies](#)**: requires polices to remove students for violent or non-violent disruptions, requires federal compliance regarding special education services required in IEPs, requires professional development regarding IEPs and Least Restrictive Environments. Requires DE to review school violence data for risk assessments. Requires a committee in each school to recommend a student-removal policy. Allows teachers to send a student to the principal for violent or non-violent incidents and specifies steps for return of the student to the classroom. Requires principals to contact parents and make out-of-class placements, if appropriate. Allows a teacher to call an IEP meeting and requires an IEP meeting after a number of incidents. Allows teachers to appeal to the school board if they believe the return to class policy is not being followed and prohibits retaliation. Allows teachers who suffer from violence to take a leave of absence up to 5 days, or longer with a doctor's note. Requires all school personnel responsible for students' IEP's to read those students' IEPs. Approved by the House, 73:17. Assigned to Senate Education Committee.

*This bill will need to be approved by the Senate Education Committee to survive the March 20 funnel deadline.* RSAI is pleased with the progress in the language about the Committee's role and recognition of the federal government's authority regarding consequences for students with IEPs. RSAI is undecided on the bill.

- **[HF 2623 School & City Elections](#)**: Changes school board elections from November of odd-numbered years to the General election (November of even-numbered years). Also adds the option for a June special election for a bond issue ballot initiative. Approved by the House, 54:38. Assigned to Senate State Government Committee. *This bill will need to be approved by the Senate Education Committee to survive the March 20 funnel deadline.* RSAI is undecided on the bill.
- **[HF 2670 Education Matters](#)**: Changes state science testing from 10<sup>th</sup> grade to 11<sup>th</sup> grade, eliminates financial literacy micro-standards from code, removes multicultural and gender fair references from code, requires the state BOE to assess financial penalties for noncompliance, and limits counselors to work with students on career areas only, rather than career, academic and social areas as required by current code. Approved by the House, 59:33. Assigned to Senate Education Committee. *This bill will need to be approved by the Senate Education Committee to survive the March 20 funnel deadline.* RSAI is opposed to the bill.
- **[SF 2404 Special Education Pilot](#)**: Requires DE to establish a pilot project for one rural and one urban district, requires schools to self-fund with a sustainable funding source or requires the DE to provide funding. Approved by the Senate, 32:15. Assigned to House Education Committee. *This bill will need to be approved by the House Education Committee to survive the March 20 funnel deadline.* RSAI was opposed to the original version which diverted AEA funding to pay for the pilot projects. With the change to these funding options, RSAI has changed our registration to undecided.
- **[SF 2428 School Violence Policies](#)**: Mandates board policies for dealing with violent and non-violent disruptions by students, based on grade level. Allows a teacher to send a student to the principal, sets up different processes for students with IEPs or 504 plans that follow federal law, requires an oversight committee, with two teachers appointed by teachers and a counselor, mental health professional or administrator appointed by the principal, in each attendance center to meet and determine when the student goes back to the classroom. Approved by the Senate, 45:0. Assigned to House Education Committee. *This bill will need to be approved by the House Education Committee to survive the March 20 funnel deadline.* RSAI is undecided, but has serious concerns about the role of the oversight committee, preferring the Committee language in the House's HF 2538.

### **Committees Move Bills Forward**

- **[SF 2218 Proof of Legal Residence](#)**: Requires BOEE to verify proof of legal authorization to work in the US for licensure. Requires school districts (and private and charter schools) to verify the legal authorization of school employees upon hire. Approved 17:3 by the House Education Committee (*survives the March 20 funnel*). RSAI is undecided.
- **[SF 2299 High School Concurrent Enrollment Courses](#)**: Allows a school to require a high school student (or their parents) who fails a community college concurrent enrollment class to reimburse the school district. The bill is expected to be amended on the House Floor to

also apply to students who drop these courses after the community college drop deadline. Approved 14:5 by the House Education Committee (*survives the March 20 funnel*). RSAI supports.

- **SF 2320 Community College Modality:** Requires students to take community college concurrent enrollment courses in person (if that option is available), but provides authority for the superintendent or the superintendent’s designee to allow a student to take the course online. Approved 19:0 by the House Education Committee (*survives the March 20 funnel*). RSAI supports.
- **HF 2493 Preschool for Young Children:** Expands eligibility for state-funded SVPP for 4-year-olds and also includes young 5-year-olds (defined as children who turn 5 on or after March 15). Does not allow the student to be counted in preschool for funding purposes more than once, so if the young five-year-old participated in PK as a four-year-old, they would not be eligible. The bill allows schools to prioritize four-year-olds and does not impact a district’s ability to offer transitional kindergarten. This expansion of eligibility first applies to the 2027-28 school year. Approved 14:0 by the Senate Education Committee (*survives the March 20 funnel*). RSAI supports.
- **SSB 3001 Property Tax Overhaul:** The Senate Ways and Means Committee considered SSB 3001 Property Tax Overhaul this week. Sen. Dawson explained this is a work in progress and is a complete system reform, not tinkering around the edges. The Amendment has not been enrolled into the bill yet, so we cannot confirm, but Sen. Dawson explained the Amendment to include the following:
  - Increase the age from 60 to 65 for senior eligibility to exempt 100% of the property value from property taxes if no mortgage is owed on residential property.
  - Creates another graduated exemption for seniors with a mortgage; at age 60, 60% exemption, at age 70, 70% exemption, at age 80, 80% exemption, at age 90, 90% exemption.
  - Increases the elderly rental program credit from \$1000 to \$1500
  - Limits the mobile home square footage tax.
  - Rolls in and indexes aviation tax valuation.
  - Begins residential rollback changes at 72.5% of valuation.
  - Adjusts debt language (was not explained).
  - Increases the capture rate – higher percentage for county hospitals and transit.The bill was approved with all senators on the committee voting Yes, except one who voted “present”. The bill moves to the Senate Calendar once the Amendment is added to the bill and it is assigned a new bill number. Placement on the Calendar triggers the responsibility for the Legislative Services Agency to write a fiscal note. See the March 5 RSAI Weekly Update for a complete bill description of SSB 3001 before the Amendment. RSAI is registered as undecided.

### **Advocacy Actions This Week**

**Property Tax Reform:** Contact legislators regarding property tax reform. Ask them how the conversation is going. What questions do they have?

- **Property Tax Relief or Reform?** Encourage legislators to get fiscal estimates before proceeding with big system changes. The impact of multiple changes to all three

components of the system is very hard to predict. If reform reduces revenue, it is property tax relief.

- Much of the Governor’s version spares schools. One concern is the acceleration of SAVE funds to property tax relief, negatively impacting resources available for school infrastructure, safety and equipment (\$200 million off the table in 4 years). Many districts are bonded against the SAVE, so they may be put into a default situation. A reduction in SAVE would require schools to turn increasingly to bond issues and ask voters to raise PPEL rates. If voters don’t approve, districts will have to reduce SAVE currently used for safety, technology, updated buses and equipment. Noninstructional software and buses are expensive. If they are to be paid from the general fund, schools will have to further reduce staff or delay upgrades.
- ***Policies do not change in isolation. Low SSA and declining enrollment, with the State taking over budget guarantee, should already lower school property tax burdens for taxpayers.***

See the [RSAI Property Tax Reform 2026 Position Paper](#) for additional talking points and items to discuss with your legislators. See the [ISFIS Property Tax Comparison Side-by-Side](#), which compares and contrasts the ideas in all three. Reach out to the experts at Piper Sandler to discuss the point at which your district may be at risk of defaulting on bonds if SAVE is reduced based on the Governor’s proposal. See [Piper Sandler’s SAVE Bond Default Risk Calculator](#)

**SSA and Unfunded Mandates:** Remind legislators that every unfunded mandate violates the principle of local control; but even worse, actually requires staff time, funding, and energy taken away from important initiatives, such as the State’s new literacy and mathematics plans, expansion of work-based learning and career and technical education credentials, and district learning goals established by your school board. Tell legislators to “JUST SAY NO” to more unfunded mandates.

See the [ISFIS New Authority Report](#) for the impact on your district of the 2% increase. The Tool also shows the impact on categorical funds, and media and education services. Districts can also share their CFPM or other 5-year projection models to demonstrate the impact.

Ask them to carefully consider enactment dates of mandates and policies that do move forward, so schools have enough time to await state BOE rules and DE guidance, develop local policies, train staff and align or correct current curriculum, standards and lesson plans.

**Thank legislators for the bills moving forward that RSAI supports!**

**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 for the best way to contact them during the session. They may prefer email, text message, or a 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: <https://www.legis.iowa.gov/legislators/find>

### **Other RSAI Advocacy Resources**

Check out the RSAI Website at [www.rsaia.org](http://www.rsaia.org) to find Position Papers, these RSAI Weekly Update 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. The latest legislative actions from the Statehouse will be posted at: <https://www.rsaia.org/2026-legislative-session.html>. The 2026 RSAI Advocacy Handbook will be available and posted soon.

### **RSAI Regional Meetings**

RSAI Members, mark your calendars and [Register Now](#) for one of the upcoming RSAI Regional Meetings of the membership. During these regional meetings, RSAI members will learn about and discuss the RSAI Leadership Group's new vision and mission statements, recap the 2026 legislative session to date, gather input on priority topics for 2027, elect representatives for the RSAI Leadership Group and Legislative Committees, and discuss other topics around advocacy efforts, including strategies for garnering public education support in an election year. Meetings are open to all district superintendents, school business officials, board members and those on a leadership track, however voting is limited to one vote per RSAI member district. Find more details posted on the [RSAI website](#).

- SW Region – 4/1/2026 in Red Oak, 11:45 Lunch; 12 Meeting
- NW Region – 4/7/2026 in Pocahontas, 11:30 Lunch; 12 Meeting
- SE Region – 5/6/2026 in Fairfield, 12 Lunch; 12:30 Meeting
- NE Region – 5/7/2026 in Cedar Falls, 8-9:30 Breakfast & Meeting

### **Contact Us**

Keep in touch with your questions, comments, and let us know about your advocacy actions.

- Margaret Buckton, RSAI Professional Advocate, [margaret@iowaschoolfinance.com](mailto:margaret@iowaschoolfinance.com), 515.201.3755 Cell
- Dave Daughton, RSAI Grassroots Advocate, [dave.daughton@rsaia.org](mailto:dave.daughton@rsaia.org), 641-344-5205 Cell

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