

Rural School Advocates of Iowa Legislative Priorities for 2025 Session

Status of Legislative Action

Adequate School Resources:

The increase in SSA provides resources for Iowa schools to deliver an educational experience for students that meets the expectations of Iowa parents, communities, employers and policymakers. Iowa's school foundation formula must maintain balanced state and local resources, be predictable, at least minimally exceed inflation, allow schools to compete for labor, and assure adequate time for budget planning and staffing. What schools can deliver is dependent on the level of funding provided, which begins with the 2025-26 school year and requires a consistent and sustainable commitment.

Impact of AEA changes: rural schools may not be able to afford the services, especially education services (such as crisis support, instructional materials and professional development) and media services (such as software, technical equipment, and virtual libraries), which AEAs used to provide, given changes in economy of scale and AEA staffing challenges. Without sufficient increases in SSA to cover these costs combined with fewer dollars provided to the AEAs, rural school students and staff may not be able to access or afford the support that AEAs have provided in the past.

Legislative Action re Adequate Resources:

- SF 167 TSS Plus: set 2% increase in the state Per Pupil cost. Provided an increase of \$49 M or 12% for TSS for school districts and AEAs), to fund higher teacher pay minimums plus 2% increase on the state TSS per pupil, 2) an additional \$5 DPCC equity (\$1.5 million spending authority and \$1.4 million property tax relief for those districts with a higher DCPP), 3) increased transportation equity by 5% (\$32.7 million total/\$1.6 million increase) and 4) increase in the maximum operational sharing supplementary weighting from 21 to 25 pupils.
 - To sum it up, with the increase in teacher salary supplement and considering all investments in public schools, combined district cost grew by \$179.9 million, which is a 3.25% increase compared to FY 2025 (source SF 167 Fiscal Note https://www.legis.iowa.gov/docs/publications/FN/1525877.pdf). Signed by the Governor 5/19/2025.
- SF 647 Education Appropriations: Continued most line-item appropriations at the FY 2024 level, with no change (such as Student Achievement/Teacher Quality and Early Literacy). Decreased the appropriation to the DE by \$5 million for the new Special Education Division (included \$5 million in SF 660 Sports Wagering Fund, which combined with this appropriation, provided the full \$10 million for the Division). Included a new \$265K for the Online State Job Posting System (Teachlowa). Included an increase of \$7.5 million for Community Colleges General Aid. Signed by the Governor 6/11/2025.

• HF 789 TSS to Charter School: would have required the TSS state amount per pupil to be paid by resident school districts to charter schools. Rep. Ingels filed an amendment to require the state to pay the TSS per pupil amount rather than the resident school district. With the recalculation of TSS based on public school staffing data reported to the DE with enough TSS per student to meet minimum teacher pay requirements, any payments to charter schools after that calculation would have left public schools short the necessary funding to pay new teacher pay minimums. Although approved by the House Education Committee and on the House Calendar for a lengthy time, the bill was returned to the House Education Committee, where it remains eligible for consideration in the 2026 Session.

Address Staff Shortages:

In both the short and long term, policies based on trust that champion teaching as a valued profession and improved compensation and benefits options for educators are necessary. Iowans, especially our state leaders, must foster respect for the education profession, which is well deserved, to attract more Iowans into teaching and retain more teachers in Iowa.

In addition to sufficient SSA and supportive messages, strategies to rebuild Iowa's education workforce must address these areas during a continuing staff shortage:

Recruitment: to rebuild the pipeline of interest into education, schools need additional flexibility and resources to provide hiring incentives, ongoing investment in CTE and internship programs for high school students to build skill and experience in education fields, resources for grow-your-own educators, tuition assistance and pay for student teaching, and resources to offset student loans. The Governor and Legislature should dedicate resources to continue programs like the Teacher and Paraeducator Registered Apprenticeship Grant Program, TPRA, funded initially by state pandemic funds that are soon to expire. These programs should be simplified to make them manageable for smaller districts to administer.

Retention: to slow the out-migration of staff from schools to other professions or retirement, school districts need maximum flexibility such as use of the Management Fund for recruitment and retention incentives, flexibility to meet offer and teach requirements, opportunities for teaching expanded courses within existing and/or competency-based licensure, social studies and other content generalist credentials, a shorter bona fide retirement period for schools to rehire other retirees (such as bus drivers and paraeducators), increased state funding for teacher salary supplement to avoid salary compaction, and maintaining resources for mentoring, training and supporting staff.

Competitive and adequate compensation: school funding primarily pays for quality staff and employees to provide a great education for students. The investment in higher teacher pay minimums from HF 2612 is a great start, but it must grow to keep up with other states and the lowa economy. Unfortunately, if funding is not sufficient, the new mandated minimums will further stress the ability of school districts to adequately pay nonteaching staff. Inadequate funding through Teacher Salary Supplement (TSS) has created salary compaction issues and school leaders are concerned about inequities of funding when not sufficient for all schools to pay staff. The Legislature is encouraged to provide resources to address salary compaction

while minimizing per pupil inequities in the formula and for hourly pay through a sufficient and sustainable funding vehicle.

Legislative Action re Staff Shortages:

- HF 787 Omnibus Education Bill: sets the TSS formula for the new higher teacher pay minimums, adds 2% increase in the state TSS for all districts, reinstates the Teachlowa Job Site, sets a Returning Retiree Minimum Salary of \$50,000, and creates an out-of-state Risk Pool for high-cost sped placements. Signed by the Governor 6/06/2025.
- <u>SF 660</u> Sports Wagering Fund Bill: \$14 million for supplemental pay for education support personnel. Signed by the Governor 6/11/2025.
- SF 206 Teacher Retention and Recruitment allows the use of the Management Fund for loan forgiveness and recruitment programs. Limited board option to use for recruitment and retention OR early retirement, but not both in the same year. The bill was approved unanimously by the Senate Education Committee, assigned to Senate Ways and Means Committee due to potential impact on property taxes. The bill did not receive further action in the 2025 Session. The bill remains eligible for consideration in the 2026 Session.

Quality Preschool:

Funding of quality statewide voluntary preschool for three and four-year-olds should be set at the 1.0 per pupil cost for full-time or prorated proportionally. The formula should include PK protections against budget and program impacts of preschool enrollment swings similar to K-12. Districts need access to resources for start-up costs to expand enrollment or increase the number of sections. Local districts should have the authority to determine what level or combination of programming is best for their community based on student needs and staff and facility capacity.

Full-day programming increases the opportunity for parent workforce participation, allows lowa's limited childcare workforce capacity to focus on younger children, prevents later special education consequences, improves literacy and prepares students for learning. Although all students benefit from quality preschool, lowa's low-income and non-English speaking students face barriers to half-day programs, making them even more at risk of lower long-term achievement.

Additionally, if parents of a 5-year-old would prefer their student delay kindergarten, and there is no transitional kindergarten option in their district, they should be allowed to enroll their student in PK, and that student should be counted for funding purposes.

Legislative Action re Quality Preschool:

SF 123 1.0 Weighting for PK: Changes the preschool budget enrollment calculation from a
weighting of 50% of the actual enrollment of eligible students to 100%. Modifies the funding
calculation for the initial school year a district is approved to participate in the preschool
program. The changes are set to take effect for school budget years beginning on or after July 1,

- 2026. By Petersen and 11 fellow democrats. Did not advance in the Senate Education Committee. No bills for full-day preschool were introduced by Republicans in 2025.
- HF 214 1.0 Weighting for PK: Changes the calculation of preschool budget enrollment to be based on 100% of actual enrollment rather than the 0.5 weighting. The bill modifies the funding calculation for the initial school year of program approval (would provide on-time funding). The legislation will take effect for school budget years beginning on or after July 1, 2026. By Ehlert and seven fellow democrats. Did not advance in the House Education Committee. No bills for full-day preschool were introduced by Republicans in 2025.
- Governor's Child Care Continuum Bill, HF 623 creates a process for new providers of four-year-old PK, termed a community-based provider, to directly participate in the statewide preschool program without school district oversight or partnership. Enables these providers to receive state preschool foundation aid directly. Provides funding for these community-based provider programs in the initial year of a program based on the number of students served (school district PK budgets are based on the prior year PK count and there is no funding for expansion). The bill transfers responsibilities from the child development coordinating council to the DE, requiring DE oversight and accountability for at-risk early childhood programs. Requires the DE to evaluate PK programs, including curriculum and instruction, and to establish an accountability system. Establishes a pilot program for child care continuum partnership grants operated by the DHHS. Although originally approved by the House Health and Human Services Committee, died on the House Calendar, so was rereferred back to the Committee. SF 445, which was approved by the Senate, was assigned to the House Health and Human Services Committee, but did not progress. Remains eligible for consideration in the 2026 Session.
- **2024 Action:** Each of these bills received a 3:0 subcommittee passage but did not move forward out of the House Education Committee in 2024 Session. Prior to the introduction of the Governor's Childcare Continuum bill, momentum on full-day preschool funding was moving in the right direction. Both would serve as a good starting point for discussion in the 2026 Session.
 - HF 2357 PK Instructional Hours would have required full-day PK for a full 1.0 weighting.
 - <u>HF 297</u> Funding for Low-Income PK would have provided a full 1.0 weighting for PK students in families below 200% of the federal poverty level.

Local School Board Authority:

Locally elected leaders closest to the community are in the best position to determine the interests of students, staff, district and stakeholders. District leaders need maximum flexibility to provide a great education to all students. The Legislature, the Executive Branch and the courts should follow lowa Code 274.3 and liberally construe laws and regulations in deference to local control. Additionally, new state programs or mandates should be given adequate time to study, plan and implement. RSAI supports changes to the school start date which would restore local decision-making to schools and communities.

Legislative Action re Local School Board Authority:

 HF 392 Year-Round Calendar Waiver: Extends the current waiver to include high school grades (9-12). See Iowa Code 279.10 for requirements of a year-round calendar. Such a waiver would exempt

- a district from having to comply with Aug. 23 start date requirements. Signed by the Governor 5/06/2025.
- <u>SF 277</u> Chronic Absenteeism: Expands chronic absenteeism exceptions, removes certified letter mandate, removes mandate for school engagement meeting if absences are not impacting achievement. Signed by the Governor May 6, 2025.
- HF 782 Electronic Device Restrictions: Requires DE to provide model policies before the mandate, provides school board discretion to further restrict cell phones, and removes curriculum/training mandates. Although the final board policy is under the authority of the school board, there were many detailed provisions in the legislation that mandated specific school board and district action. Signed by the Governor April 30, 2025.
- <u>SF 583</u> **School Safety Assessment Teams:** Authorizes school districts to create school safety assessment teams and allows information sharing between certain governmental agencies and assessment teams. This bill allowed such teams but did not mandate them. Signed by the Governor 5/06/2025.
- <u>HF 395</u> School Bus Driver Courses: Sets minimum requirements for school bus drivers and does not require a bus driver to complete a course unless the district requires completion of such a course. Signed by the Governor 6/06/2025.
- HF 835 Seizure Disorder Plans: Requires a health care-related training for school personnel work group. Requires all districts to provide to and require all staff to undergo seizure disorder training by 12/31/206. Signed by the Governor 5/27/2025.
- <u>SF 369</u> Civics Test for Graduation: delays implementation until FY 2027 and allows school districts to provide alternative assessments for students with disabilities and for EL students. Signed by the Governor 5/27/2025.

OTHER RSAI PRIORITIES

Public School Priority:

As Iowa public schools will always be the first choice of most Iowa families, they must be adequately funded and supported by the State.

- 1) Since the implementation of Education Savings Accounts, as enacted by HF 68 in 2023, is nearly complete, RSAI supports the following changes.
 - a. Public schools should be relieved of the mandate to reimburse private school parents or provide transportation for private schools.
 - b. Private school students returning to public school after the October enrollment count date should be funded in a timely manner.
 - c. ESA applications should be submitted and approved by the March 1 open enrollment deadline to inform both public and private schools in a timely manner for staff and budget planning.
 - d. Local school districts should receive all categorical funds based on the ESA student count, and those funds should be allowed for any use as directed by the school board to best meet the needs of students enrolled in the public school.
- 2) ESAs should not be expanded to homeschool students or nonaccredited private schools. The state should resist a weakened accreditation process, which would encourage new private schools without high standards to come to lowa.

Equity of expectations and regulations should be applied consistently to both public and private schools under an ESA environment. There should be a level playing field requiring acceptance of all students, consistent reporting, comprehensive services, mandated content and transparency. Private schools receiving payments from ESAs should be open to an audit and financial review to ensure funds are spent appropriately.

Legislative Action re Public School Priority:

- HF 789 TSS to Charter School: would have required the TSS state amount per pupil be paid by resident school districts to charter schools. Rep. Ingels filed an amendment to require the state to pay the TSS per pupil amount rather than the resident school district. With the recalculation of TSS based on public school staffing data reported to the DE with enough TSS per student to meet minimum teacher pay requirements, any payments to charter schools after that calculation would have left public schools short the necessary funding to pay new teacher pay minimums. Although approved by the House Education Committee and on the House Calendar for a lengthy time, the bill was returned to the House Education Committee, where it remains eligible for consideration in the 2026 Session.
- HF 888 Home School Instruction and World-Language Content: Places fewer requirements on home school (no limit on the number of unrelated students in the home school program, allows tuition to be charged, removes the requirement of immunization proof for first-time placements). Clarifies the definition of independent private instruction and ensures that diplomas from such programs are treated equally to traditional high school diplomas. Prohibits the incorporation of gender-neutral language in world language instruction where applicable. The legislation increases the tuition tax credit for families with children receiving private instruction or attending accredited schools, retroactively applying to tax years beginning Jan. 1, 2025. Although approved by the House Education Committee, this bill did not receive consideration in the full House. The bill was rereferred to the House Education Committee, where it remains eligible for consideration in the 2026 Session. Companion SF 204 received a recommendation of a subcommittee to move forward, it died in the Senate Education Committee.
- HF 446 March 1 Online Open Enrollment Deadline: would have repealed the exception of the March 1 open enrollment deadline, which does not apply to online programs in current law.
 RSAI suggested the bill move forward and include a similar deadline for education savings account applications. A subcommittee met and tabled the bill. The bill remains eligible for consideration in the 2026 Session.

Increasing Student Needs Including Poverty and Mental Health:

Resources should be based on at-risk needs, not just enrollment. All school boards should be able to access up to 5% dropout prevention funding. School districts should be granted spending authority for FRPL-waived fees. Iowa should study the impact of poverty on educational outcomes and best practices of other states in closing associated achievement gaps, leading toward a significant and urgent update to Iowa's School Foundation Formula in funding programs for Iowa's needlest students.

Students in rural areas are often distanced from needed services. Iowa must continue to address improved access to funded community mental health services for children and the shortage of mental health professionals statewide (such as reciprocal licensing and access to out-of-state providers virtually). The

State should provide resources for local districts to train school staff in mental health first aid and awareness and build community capacity to address the mental health needs of children.

Legislative Action re Increasing Student Needs, including Poverty and Mental Health:

- SF 647 Education Appropriations included several actions impacting mental health services:
 - Maintained \$3.4 million appropriation (no change compared to FY 2024) for AEAs to provide mental health awareness training for educators and support mental health needs of students.
 - Included a standing appropriation from the General Fund estimated at \$750,000 for Therapeutic Classroom Services, for students enrolled in Therapeutic Classrooms that do not have IEPs.
 - SF 647 Education Appropriations also requires that \$200,000 of the appropriation for children's mental health school-based training and support be used to implement a Children's Grief and Loss Rural Pilot Program to serve lowa children in rural school districts or accredited nonpublic schools. The Program must be administered by, and \$200,000 must be allocated to, an existing statewide not-for-profit health care organization that currently provides grief and loss services to children.
- <u>HF 647</u> Standing Appropriations High Needs Schools Grant: the legislature continued the practice of delaying the \$10 million standing appropriation for high-needs schools first Signed by the Governor in the 2014 legislative session.
- HF 579 Dropout Prevention Authority: Raises the maximum allowable ratio of modified supplemental amounts for Dropout Prevention Authority to total regular program district costs from 2.5% to 5% for fiscal years beginning on or after July 1, 2026, contingent upon voter approval. Outlines the process for placing funding limit propositions on the ballot and stipulates that any approved increase cannot exceed one-quarter of one percent per fiscal year. The bill was approved by the House, 92:4. Approved by the Senate Education Committee unanimously. Assigned to the Senate Ways and Means Committee, but did not move forward. The bill remains eligible for consideration in the 2026 Session.

Whole Grade Sharing and Reorganization Incentives

Whole Grade Sharing and Reorganization incentives, set to expire at the end of the 2024-25 school year, should be extended. These incentives bring taxpayers and parents to the table in support of expanded opportunities for students, most often in districts without the economy of scale necessary to provide a broad and varied academic and interscholastic experience for students. These incentives should either be included as an ongoing option for school districts in perpetuity or extended to at least June 30, 2035.

Legislative Action re WGS and Reorganization Incentives:

• SF 444 WGS and Reorganization Incentives: extended incentives from July 1, 2024, to July 1, 2030. Provides for a reduced uniform levy as an incentive for reorganizations on or before July 1, 2030. School districts that execute a WGS agreement and adopt a resolution to study the effect of undergoing a reorganization or dissolution to take effect on or before July 1, 2030, receive a weighting of one-tenth of the percentage of a student's school day during which the student

attends classes in another district, is taught by a teacher jointly employed, or attends classes taught by a teacher employed by another district. This supplementary weighting is available for not more than three years. However, a school district that reorganizes before July 1, 2030, is eligible, for up to three years following reorganization, to continue to receive supplementary weighting in an amount that is equal to the funding that the district received in the year preceding the effective date of its reorganization. Approved unanimously by the Senate Education Committee. Did not receive further action. Remains eligible for consideration in 2026.

Operational Sharing Incentives

Operational Sharing Incentives should continue and be increased. The 21-student cap should be increased to allow access to new flexibility. Weightings should be sufficient to encourage and support sharing opportunities, with a 3-student weighting at a minimum per position. Reductions in weightings should be restored and/or additional weighting provided for districts to flexibly support critical positions. The addition of new positions over the last few years, such as mental health counselors, work-based learning coordinators and school resource officers, demonstrates the value of continued sharing incentives for both efficiency and student opportunity. With recent significant pressures on schools for technology data protection and cybersecurity, an additional position of technology director should generate supplementary weighting within this program. Some positions, such as those to address mental health or school safety, and expanded sharing options with AEA staff to replace services stressed by economics of scale and AEA restructuring, should be exempted from the cap (following the 2024 precedent, which exempted work-based learning coordinators from the cap).

Legislative Action re Operational Sharing Incentives:

- Included in <u>SF 167</u> SSA Operational Sharing: increases the maximum amount of additional weighting from 21 to 25 pupils beginning FY 2026. This is estimated to increase supplementary weighting by a total of approximately 129 pupils for 46 school districts at a total annual cost of \$1.0 million beginning with FY 2026 and ending after FY 2035 (sunsets per lowa Code). Total funding for this increased cap includes an appropriation of \$942,000 state funding plus \$91,000 local property tax through the school aid formula.
- SF 168 Operational Sharing: Requires, beginning July 1, 2025, shared operational functions involving master social workers, independent social workers, mental health professionals, and school resource officers will generate weighting not included in the cap of 21-student weighting. (College and career coordinators are already exempt from the cap, so this would bring the total number of exempt positions to four. Approved unanimously by the Senate Education Committee but did not receive further action. Eligible for consideration in the 2026 Session.
- HF 515 Operational Sharing SRO: Increases the supplementary weighting associated with a shared school resource officer from two pupils to four pupils for school budget years beginning on or after July 1, 2025. Passed by the House 95:0, subcommittee of Sens. Shipley, Garrett and Zimmer recommended passage in the Senate Education Committee. Remains eligible for consideration in the 2026 Session.

Formula Equity:

Resurrect and continue investments in formula equity, closing the \$140 state and district per pupil gap within ten years. Inequities in the formula, based on no longer relevant historical spending patterns over 40 years ago, must be corrected to support resources for all lowa students.

Legislative Action re Formula Equity:

<u>SF 167</u> SSA provided an additional increase of \$5 to the FY 2026 regular program SCPP, separate from the SSA. For districts at the minimum SCPP, this is \$1.5 million for additional support for pupils. For districts at a higher DCPP, this is \$1.4 million property tax reduction for their taxpayers. Closes the DCPP to SCPP gap to \$135 per student.

Bond Issue Dates:

The restriction of bond elections to one annual date spikes the demand for providers, architects, bonders, and construction labor, while extending the time of completion, all increasing costs to taxpayers. Bond issues should be approved by a simple majority of voters (50% +1), rather than a super majority (60% +1), school districts should be given options of multiple election dates yearly, and only one vote should be required regardless of the levy amount, up to the \$4.05 maximum levy.

Legislative Action re Bond Issue Dates:

- SF 651 Property Tax Reform by Ways and Means: Limits PPEL/Debt levy rates to 70% of existing rates beginning July 1, 2026. Lowered the Board-approved PPEL from 33 cents to 24 cents per \$1,000, the Voter-Approved PPEL lowered from \$1.34 to \$1.18 per \$1,000 and the Bond Issue maximum levy rates lowered from \$4.05 and \$2.70 to \$2.84 and \$1.89, respectively. Died on the Senate Calendar. Available for consideration in the 2026 Session.
- SF 140 Satellite Election Sites (Companion HF 245): Requires county commissioners of elections to reject petitions for satellite absentee voting stations located on school property if the election ballot includes questions related to school funding, such as bonds or levies. SF 140 passed the Senate, 33:13 and died in the House State Government Committee. HF 245 also died in the House State Government Committee. Both remain available for consideration in the 2026 Session.

Area Education Agencies:

lowa's rural schools are critically reliant on lowa's Area Education Agencies (AEAs), not only for special education services to students and training and support to staff, but also for instructional and media services. AEAs have provided rural school specialists to meet student needs or assist staff with the curriculum and materials necessary for student learning that would not otherwise be available or affordable. In addition, the economies of scale of the AEAs provide savings that schools would not otherwise be able to achieve. In addition to their central role of serving students with disabilities, the AEAs provide many needed services for schools, just to name a few: emergency support when a district loses a superintendent or school business official mid-year, virtual learning content, the printing of materials at affordable fees, training when districts undertake new instructional math or literacy initiatives, crisis supports and mental health services, etc. The Legislature should work closely with schools and AEAs in

updating expectations and changing the funding or structure of AEA services in order to fully understand the impact on students and schools. Timelines to implement changes must allow for thoughtful planning and reasonable transitions.

Legislative Action re AEA Services:

- **SF 167 SSA**: original Fiscal Note overstated the AEA appropriation by \$25 million, which was later deappropriated in the Standings Appropriations Bill SF 659. After adjusting for the AEA cut, the percentage increase for all combined district cost is 3.4%.
- **SF 659 Standing Appropriations bill**: Includes a decrease of \$25.0 million for Area Education Agency (AEA) reductions (continued practice from prior year). Signed by the Governor 6/11/2025.