RSAI Legislative Update Mar. 26, 2015

These updates are posted on the RSAI legislative web page at <u>http://www.rsaia.org/legislative.html</u>.

The following provides analysis of this week's happenings, including update of the school start date debate, action on RSAI priorities and continued floor action. Find suggested advocacy actions on school funding in the March 20 RSAI <u>CALL TO ACTION</u>. Thanks for all you do to advocate for Iowa's children! <u>margaret.buckton@rsaia.org</u>

Three priority issues for conversations this week, in addition to adequate funding which ought to be in every conversation:

- PPEL flexibility for bus repair: thanks to Senate for approving their bill 49:0 and encourage House members to support it. House Ways and Means Subcommittee for HF 384, similar bill, is scheduled for March 30.
- Dropout prevention flexibility: encourage support of DE proposal to blend uses of at-risk and dropout prevention funding, so we can locally determine how best to serve at-risk students. HF 346 was approved 97:0 in the House and is assigned to the Senate Education Committee, subcommittee of Sens. Quirmbach, Dvorsky and Johnson.
- Extend the state penny sunset: SF 477 was approved by the full Senate this week, 37:13. RSAI supports full repeal of the sunset but clearly supports the extension to Dec. 31, 2049 proposed in this bi-partisan bill, sent to the House. See the vote count and additional detail below.

REC estimates and the economy: Although more detail on last week's REC estimate was in the last weekly update, we continue to hear reports from legislators supporting lower school funding levels advising concern. The REC members all stated confidence in the state of lowa's economy. See the LSA's detailed analysis of the estimate <u>here</u>. Remember, too, the state's cash reserve funds are full, as are many school districts' cash reserves. The fear of repercussions from a future Across-the-board (ATB) cut are unfounded. Just to clarify, there will be an ATB cut sometime in the future and no amount of low funding for schools will prevent one. Can the state and local schools withstand the impact of an ATB cut? Economic and cash balance indicators encourage us to believe the answer is clearly yes. Learn more from this week's education coalition March 23, 2015 fact of the week: Revenues Known: Now is the Time

SF 171 & SF 172 State Cost Per Pupil: Conference Committee 4th Meeting. No Progress

Committee members: Reps. Soderberg (co-chair), Paulsen, Upmeyer, Ruff, and Steckman and Sens. Quirmbach (co-chair), Sinclair, Gronstal, Dix, and Bowman. *Met on Tuesday, March 24. Speaker Paulsen moved the House position of 1.25%. After discussion, the conference committee members voted and the motion failed to pass with the vote tied, 5:5.* Some big picture considerations relative to the cost of education and the state's general fund budget:

- Difference between 1.25% and 4% for rural schools is significant for budget guarantee, program and staff reductions. District impact here: <u>http://www.isfis.net/files/Finance/NewMoneyReportFY2016.xlsx</u>
- Difference between 1.25% and 4% for the state is \$114.3 million. Remember, FY 2016 now has a 6% estimated revenue growth, over \$400 million.
- The Governor's budget is below the 99% expenditure limitation and estimates deposits of \$750 million in the state's cash reserves by FY 2017.
- The state's cost of implementing the commercial/industrial tax reform is \$134 million for FY 2016. They could slow that down or delay implementation or make other priority choices in order to adequately fund schools. Sources for the above:

RSAI Legislative Update Mar. 26, 2015

- SF 171 fiscal notes: <u>https://www.legis.iowa.gov/docs/publications/fn/632647.pdf</u> <u>https://www.legis.iowa.gov/docs/publications/fn/644065.pdf</u>
- LAGAR <u>https://www.legis.iowa.gov/docs/publications/LAGR/620903.pdf</u>
 LSA Analysis REC estimate
- https://www.legis.iowa.gov/docs/publications/BL/656455.pdf

Assessment Testimony to House and Senate Education Committees Continues:

Representatives from University of Iowa, Iowa Testing, representing the Next Generation tests, and from Smarter Balanced, presented to the House and Senate Education Committees on Wednesday, March 25, with some of the Assessment Task Force members joining in the panel in the House Committee meeting. They answered questions about the differences in the tests. The DE provided a legislative briefing to show comparisons. See a copy of the briefing here: http://www.isfis.net/files/Webinars/Assessment%20Task%20Force%20Handout%203-25-14-345pm.docx No action has been taken on either HF 446 or SF 429 which both address state assessments.

Floor Action: The following bills were approved in the House or Senate as indicated:

<u>SF 477</u> State Penny Extension (formerly SF 409) was approved by the Senate 37:13. The bill extends the SAVE/state penny for school infrastructure until Jan. 1, 2050, but does not change the purpose of the fund. RSAI supports. Contact Representatives this weekend and shore up support using the following talking points:

- Sales tax is better than property tax to pay for school infrastructure and technology
- The Revenue purpose statement requires voter input or it must be used for tax relief
- Reconstruction and repair is never done
- Technology needs (in general and for new assessments) have not been met
- Savings to General Fund can be redirected based on district need
- Consumer use tax collected along with the regular state sales tax is deposited into the

On the question "Shall the bill pass?" (S.F. 477), the vote was:			
Yeas, 37:			
Allen Anderson Bertrand Bolkcom Bowman Brase Breitbach Chapman Courtney Danielson	Dotzler Dvorsky Feenstra Garrett Gronstal Hart Hogg Horn Jochum Kapucian	Kinney Kraayenbrink Mathis McCoy Petersen Quirmbach Ragan Rozenboom Schoenjahn Seng	Shipley Sinclair Smith Sodders Taylor Wilhelm Zumbach
Nays, 13: Behn Bisignano Chelgren Costello Absent, none.	Dearden Dix Guth Johnson	Schneider Schultz Segebart Whitver	Zaun

- Property Tax Equity and Relief (PTER) fund to lower the highest additional levies in the state.
- Resources: RSAI Position Paper <u>Extension of State Penny for School Infrastructure</u>

SF 227: School Start Date: This bill, as amended by the House, sets the school start date no earlier than Aug. 23, with no waivers, but for year-round schools grade PK-8 (no high school year-round school allowed.) Was approved in the House as amended, 71:29. RSAI supported the previous Senate version which allowed the local school board to set the calendar. The Senate considered the amended House version yesterday. Voted by voice (no record) to accept the House amendment. Senate voted 28:22 to approved the bill as amended. Sen. Gronstal used a procedural maneuver to place a motion to reconsider on the amendment and the bill. This morning's <u>Des Moines Register</u> reported:

• "Gronstal said he isn't in a rush to bring up the measure again and wants to give Senate members time "to come to their senses."

RSAI Legislative Update Mar. 26, 2015

• "This is probably as favorable as we are going to see and get agreement on. There is no reason to stall. We should just pass it and let the schools start planning," Dix said.

We will report further action when it happens. In the meantime, keep advocating for the students in your schools!

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