



Action Line

Legislative Activity

Allowable Growth Still Pending

Keep talking to legislators about the priority of maintaining the cost per pupil at 4 percent allowable growth for FY 2010. The governor's budget for FY 2010 maintains the 4 percent allowable growth rate set last session (an increase of \$222 per pupil) and caps the state foundation aid appropriation at approximately \$2.53 billion. This action funds regular school aid at the equivalent of a 2 percent allowable growth level minus the carry forward of the FY 2009 1.5 percent ATB cut of \$33.5 million. The additional 6.5 percent ATB for FY 2010 does not apply to state foundation aid. See the Feb. 5 Allowable Growth *Action Network* for additional background and talking points, <http://www.ia-sb.org/Publications.aspx?id=6578>.

Reorganization Proposal: 99 School Districts

Media stories have referenced a proposal by Sen. Matt McCoy (D-Des Moines), which would require school districts with fewer than 750 students to consolidate into 99 school districts statewide. Specific details of the proposal are not yet known. State Board of Education members also discussed the slow progress of reorganization over the past decade at their meeting this week. Whenever the press, legislators or the public ask us about mandatory consolidation and school size, we share the following:

- Reorganization is best determined locally and when in the best interest of students. The state's role is to minimize barriers, provide incentives and set accreditation standards.
- Current incentives have time limits with phased-out funding. These recent incentives should be given time to work.
- School districts that reorganize don't necessarily experience any cost savings as the savings were realized during the sharing process.
- Transportation costs may increase thereby negating any savings. The Legislature should remove transportation costs from school district

general funds to eliminate a barrier to consolidation.

- There is no consistent relationship between school district size and student achievement. Legislators should look carefully at anticipated outcomes for students when recommending state policies.
- The number one barrier to consolidation is property tax rates. For consolidations to move forward, the legislature needs to assist school districts in minimizing property tax impacts. While the work over the last few years has helped, other levies haven't been addressed and still create barriers.

As school advocates, we urge everyone to talk about student achievement and local control without discrediting other school districts. Large and small, growing or declining, we all have our challenges and need to stick together in helping our legislators understand the value of local school boards and communities in public education. Encourage local advocates who contact their legislators about this proposal to also include a request for 4 percent allowable growth.

Federal Stimulus Agreement

An agreement was announced yesterday on the Reinvigorating and Reinvesting in America Act, more typically referred to as the federal stimulus package. It may take a couple of weeks for all the details to become known, but federal funding to help states balance their budgets, in addition to the anticipated increases dedicated to education, will help Iowa address our state revenue shortfalls. Stay tuned for more information about distribution formulas and implementation details that will be forthcoming.

Bills on the Move

SSB 1119 – Choice of Doctor by Labor

This bill gives employees the ability to choose their own doctor for worker's compensation injuries. Currently, the employer can designate a doctor for worker's compensation injuries. Under the bill, the

employee has to use the employee's personal/family physician and has to periodically designate the chosen physician. If the employer has concerns about the care or progress of an employee's treatment, the employer must go through a hearing process with the State Labor Commissioner. If an employee is designated to have a permanent injury, the employer can get a second opinion. Employer's Mutual Company, the worker's compensation carrier for the majority of Iowa school districts, AEAs and community colleges, has estimated this will cost IASB members approximately \$2.2 million per year in increased worker's compensation premiums – most of it in property taxes via the Management Levy. IASB is opposed to the bill, which is on the Senate Calendar.

HSB 3 Drop-out Prevention by Education

This bill increases the number of students a school district can identify as returning dropouts and potential dropouts, from 5 percent to 7 percent of the district's budget enrollment, when the district is requesting to use modified allowable growth to fund dropout prevention programs. IASB supports this bill, passed by the House Education Committee and now on the House Calendar.

HF 259 Compulsory Attendance Age by Education

This bill raises the compulsory school attendance age from 16 to 17 years old and exempts students receiving competent private instruction (home-

schooled). For a complete bill description, see the write-up of HF 40 in the Jan. 22 *Action Line*, <http://www.ia-sb.org/Publications.aspx?id=6428>. The bill was approved by the House Education Committee and moves to the House Calendar. IASB supports it.

Save the Date! Legislative ICN Update: March 19

Attend this free ICN session to hear from IASB lobbyists about the issues impacting you in the 2009 Legislature and what you can do about it, <http://www.ia-sb.org/assets/7a391c67344349b490b611e2bca26655.pdf>.

Other Resources

Please visit www.ia-sb.org to view this week's **Capitol Cast** video clip from Margaret Buckton.

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