



# Action Line

IASB Legislative Activity

## Federal Stimulus Package Update

The governor's office, in consultation with state agencies, will develop recommendations for the use of the federal stimulus dollars allocated to Iowa. Iowa will receive \$386.9 million for a state stimulus education package. The law requires that 81.8 percent of its allocation be used to maintain state support for K-12 education, including the area education agencies, at least at the level of fiscal year 2006 in 2009, 2010 and 2011. The state must also maintain state spending on higher education at least at the level for fiscal year 2006 in 2009, 2010 and 2011. The remaining 18.2 percent must be used for public safety needs related to K-12 or postsecondary education or for infrastructure needs.

In addition to these funds, Iowa will receive:

- \$121.4 million for Special Education
- \$5.6 million for Head Start
- \$3.3 million for educational technology
- \$1.2 million for school lunch equipment

Each state must submit an application to receive the stimulus funds. That application must specify the exact uses for the monies. There is much work to be done before these dollars get to Iowa, but progress is underway. As more information from the governor's office and the Iowa Department of Education becomes available, we will keep you posted.

## Allowable Growth Priority Still Pending

There has been no public discussion on the allowable growth percentage for FY 2011. Legislative leaders are likely waiting to assess the impact that the federal stimulus package may have on the 2011 rate, as well as consideration of the impact on the FY 2010 rate already set at 4 percent.

Iowa law requires the Legislature to set the FY 2011 rate within 30 days of the release of the governor's budget, which is Feb. 28. When the allowable growth

bill is introduced, it is likely to move very quickly through the process. This means that advocacy efforts must continue now, because there won't be time to change the outcome once the bill is introduced.

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. 4 Allowable Growth *Action Network* for additional background and talking points at [www.iasb.org/Publications.aspx?id=6566](http://www.iasb.org/Publications.aspx?id=6566).

## Bills on the Move

### HF 333 Prevailing Wage by Labor

HF 333 was approved by the House Labor Committee on Tuesday and debated on Friday in the House. This bill requires school districts to pay prevailing wage on all projects that exceed \$300,000. The bill requires the labor commissioner to determine the prevailing wage on a county basis, based on data collected during wage surveys. The bill requires the public body (including school districts) to monitor the contracts and subcontracts to ensure the prevailing wage is paid. A call for bids must state that the wage rate must be included in the bids for the public improvement. The bill requires all bids to list the specific wage rates for each craft, classification, and type of worker needed for the public improvement. The bill requires the contractor and any subcontractors to keep records for not less than three years. An amendment was filed to the bill (H-1068) which creates the following criteria for public projects to which the prevailing wage will apply:

1. Total estimated cost is \$1.5 million or more or at least 20 percent funded with state funds
2. The project is for a school district and exceeds \$300,000
3. The project is under control of the state board of regents or a community college.

IASB is concerned about the inequitable treatment of school districts in setting a lower threshold for projects compared to other public projects (cities, counties, etc.) contained in this amendment that is anticipated to pass in the House debate on Friday afternoon. To see the Legislative Services Agency Fiscal Note which provides an estimate of the bill's impact on the cost of construction projects, go to: [http://www3.legis.state.ia.us/fiscalnotes/data/83\\_1573HVv0\\_FN.pdf](http://www3.legis.state.ia.us/fiscalnotes/data/83_1573HVv0_FN.pdf) IASB is opposed to this bill, on the House Calendar for this evening.

### HF 233 Disposition of School Property

This bill reverses changes made in HF 2526 last year, returning to how Iowa Code was written prior to the enactment of HF 2526 during the 2008 legislative session. In effect, the bill strikes the requirement that school districts wait for 12 months after the decision to dispose of property, lest a public petition to question the board's decision and take it to a vote surface. The bill also deletes the definition of "dispose" and "disposition" which was changed in HF 2624 to include exchange, transfer, demolition or destruction of any real or personal property of the school district. The bill was amended to include a petition period during which the public could obtain sufficient petition signatures to challenge the decision of the school board, not to exceed 10 days. This bill is now assigned to the Senate Education Committee and 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. [www.ia-sb.org/assets/7a391c67344349b490b611e2bca26655.pdf](http://www.ia-sb.org/assets/7a391c67344349b490b611e2bca26655.pdf).

### Other Resources

Please visit [www.ia-sb.org](http://www.ia-sb.org) to view this week's **Capitol Cast** video clip from Margaret Buckton.

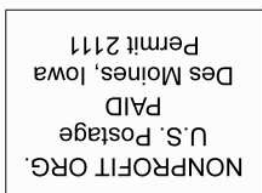
**Community Forums:** IASB can help you find local forums in your area. Type the following address into your Web browser for the most current listing:

[www.ia-sb.org/uploadedFiles/IASB/Member\\_Benefits/Services/Advocacy\\_that\\_Champions\\_Public\\_Education/21909.pdf](http://www.ia-sb.org/uploadedFiles/IASB/Member_Benefits/Services/Advocacy_that_Champions_Public_Education/21909.pdf). Otherwise, you can also contact Marte Brightman at [mbrightman@ia-sb.org](mailto:mbrightman@ia-sb.org), or (800) 795-4272.

### IASB Government Relations Team

Margaret Buckton, [mbuckton@ia-sb.org](mailto:mbuckton@ia-sb.org)  
Mary Gannon, [mgannon@ia-sb.org](mailto:mgannon@ia-sb.org)  
Emily Piper, [emily80@mchsi.com](mailto:emily80@mchsi.com)  
Marte Brightman, [mbrightman@ia-sb.org](mailto:mbrightman@ia-sb.org)

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RETURN SERVICE REQUESTED

Iowa Association  
of School Boards  
6000 Grand Avenue  
Des Moines, IA 50312-1417

