



Action Line

IASB Legislative Activity

Status of Budget Discussions

We are hearing from legislative leadership that their intention is to fund state aid at the same level as the governor which was approximately \$170M short, about \$300 per pupil. The amount includes all state aid including the categoricals. The plan is to maintain the 2 percent allowable growth so if there is a shortfall, schools will maintain the spending authority. Access the following link to see the specific allocations, <http://www.ia-sb.org/WorkArea/showcontent.aspx?id=9176>. The AEAs, however, don't have spending authority so there is still discussions about how to help hold the AEAs harmless. There is also some movement to give schools the spending authority for the loss of the Instructional Support Levy (ISL) state aid portion. The current state portion, 25% of the total amount of the ISL, amounts to approximately \$51.4M for FY 10. The state, however, only funded \$13.1M from ARRA funds of 20 percent of its total commitment. We are unsure how much of the \$51.4M our spending authority will reach. We will keep you informed about the progress of the budget negotiations. This weekend continue to talk to your legislators about your specific needs for continued full funding of education.

SBRC Action

The School Budget Review Committee met on Monday and heard requests from 51 school districts for modified allowable growth to adjust for the elimination of Phase I Teacher Salary Supplement (TSS) monies. The SBRC granted modified allowable growth for fourteen districts, voted to deny the request for nine districts and had a split vote on 28 district requests. One of the key issues was the definition of "unique, unusual and substantial." There is no uniform definition for this phrase. IASB had fought for the provision to allow modified allowable growth in response to last year's legislative action to eliminate the Phase I monies.

IASB is working with legislators to determine the appropriate solution. The solution hinges on the definition of "unique, unusual and substantial" and whether or not this can be resolved through discussion with the DE or will require legislative action.

Bills on the Move

SSB3248 – Educational Appropriations by Appropriations

The Education Appropriations bill was voted out of the Senate Appropriations Committee yesterday. The bill still includes language that exempts TSS, professional development and early intervention (class size) funds from future across-the-board cuts and makes it retroactive to the current fiscal year. This language overrules a December 2009 Iowa Department of Education declaratory ruling that stated TSS funds are not exempt from across-the-board cuts. IASB adamantly opposes this language, especially the retroactivity of the language, as it unduly burdens school districts when hit with an across the board cut. If the majority of a school district or AEA's budget is to be held harmless, that makes the cuts even deeper for the rest of the budget. IASB sent out a survey to superintendents and AEA chief administrators asking them how many withheld the 10% from the TSS, professional development or class size funds. If your district or AEA has not yet responded to the survey, please do, so we have an idea of how great an impact the retroactivity has.

The bill also mandates the use of a combined salary schedule which would place all teacher salaries in one item. IASB also opposes this language. The main reason is that we cannot control the budget process at the state level nor can boards control the governor's ability to use an across-the-board cut due to a budget shortfall. Support staff and educational programming should not take the brunt of a budget cut. If teachers can guarantee that we will never have another across-the-board cut or a shortfall in funding due to the regular budget process, we might be more

comfortable with the language. Contact your legislators in both the House and Senate this weekend to let them know about your concerns with the language.

The bill also now has language in it addressing the relationship between school corporations (school districts, AEAs and community colleges) and IASB. It requires school corporations to report the amount of dues it pays to IASB, what IASB programs participate in, the cost, if any, of those programs and the financial benefit received, if any. It requires IASB to report its revenues from dues and other fees. IASB will also submit any reports it already submits to the USDE regarding federal funds to the General Assembly. All of the information required to be reported is all public information that is currently reported but this bill adds some additional requirements. IASB is monitoring the bill which is on the Senate Calendar.

SF 2178 - Expansion of Textbook Definition by Education

The House approved this bill, 92-5. The bill allows state funds to be used by nonpublic schools to purchase laptops and other electronic technology. IASB opposed the bill which now goes to the Governor.

Bill Tracker

HF 221 – Exempt ISL Property Taxes from TIFs by Schueller

This bill, introduced last year, would exempt the property tax portion of an instructional support levy from a tax increment financing (TIF) district. IASB supports the bill which is now on the House Ways and Means Committee calendar.

Race to the Top

IASB continues to work with legislators and other educational stakeholders on a solution to the Race to the Top language passed and signed earlier in the session. Since Iowa was not one of the states selected in the first round, we have time to make the amendments so more schools will apply in Round 2 which is expected in June. Continue to talk to your legislators about your concerns with the current language and ask for their support to reconsider that language. For talking points, see <http://www.iasb.org/WorkArea/showcontent.aspx?id=9120>.

Conference call on Fridays

IASB is holding Friday morning legislative conference calls for legislative updates. Dial in to hear IASB lobbyists Mary Gannon and Emily Piper give you a wrap-up of action at the Capitol each week, and e-mail them questions on the spot. The calls begin at 8:30 a.m. every Friday.

Conference Call dial-in instructions: Dial (866) 316-2753 followed by the conference code, 6805834672. You will hear music until your hosts arrive on the call.

E-mail questions ahead of time or during the call to mgannon@ia-sb.org.

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