

UEN Legislative Update May 15, 2025

This UEN Weekly Report from the final week of the 2025 Legislative Session includes:

- Sine Die Adjournment and the Rest of the Story
- Appropriations Bills: Education, Standings, and Sports Wagering Receipts Fund
- Other Bills Approved this Week
- Stalled Bills: Property Tax Reform and the Governor's Child Care Continuum
- Advocacy Actions for the Week and Resources

Sine Die Adjournment

Legislators worked overtime, since their May 2 per diem expenses expired two weeks ago, and Wednesday night throughout the night, adjourning the Session with the Sine Die Resolution just after 6:30 a.m. Thursday morning. Sine Die is the Latin term for adjourning without a time certain to return. The 2025 Session legislative work is done, but there is still much to do. Legislative staff must incorporate amendments into the final bill versions. The House Speaker and Senate President must sign every bill. The Governor has 30 days to sign or veto any legislation sent to her in the final week of Session. That includes the bills they passed this week, as well as any other bills, such as <u>SF 167 SSA</u>, which had not previously been delivered to the Governor's desk.

Executive Branch agencies (such as DE, HHS and BOEE) will have to make administrative rules required for implementation, which is typically a 6-month or longer process.

UEN will write the 2025 Legislative Digest of Actions Impacting Schools, including the Governor's final action. In the meantime, we will share information as it becomes available, including any resources provided to assist districts in compliance and implementation.

Appropriations Bills:

SF 647 Education Appropriations. The following information is from the NOBA for SF 647:

- State General Fund FY 2026: Appropriates a total of \$1.033 billion from the General Fund and 11,061.6 full-time equivalent (FTE) positions for FY 2026 to the Department for the Blind, the Department of Education, and the Board of Regents. This is an increase of \$14.1 million and 7.0 FTE positions compared to the estimated FY 2025.
- Standing Appropriation FY 2026: Includes a standing appropriation from the General Fund estimated at \$750,000 for Therapeutic Classroom Services, which does not appear in this Bill. This is for supplementary weighting for students in therapeutic classrooms who do not have IEPs to generate special education funding for the services.
- **Department of Education:** Appropriates \$451.4 million from the General Fund and 420.6 FTE positions. This is an increase of \$8.5 million (1.9%) and an increase of 2.0 FTE positions compared to the estimated FY 2025. **The General Fund changes include:**
 - o An increase of \$152,000 for the DE Administration.
 - o An increase of \$300,000 for Jobs for America's Grads.

- An increase of \$7.5 million for General Aid for Community Colleges.
- o An increase of \$342,000 for the Iowa School for the Deaf.
- An increase of \$98,000 for the Education Services for the Blind and Visually Impaired.
- o A new appropriation of \$265,000 for the Online State Job Posting System.
- A decrease of \$5.0 million for the Division of Special Education.
- o An increase of \$299,000 for the Teach Iowa Scholars.
- A new appropriation of \$8.0 million for the Health Care Professional Incentive Program.
- A new appropriation of \$50,000 for the Court Reporter Equipment Grant Program.
- An increase of \$1.1 million for the Tuition Grant Program Standing.
- An increase of \$2,000 for the Tuition Grant Program For-Profit.
- An increase of \$49,000 for Iowa PBS Operations.

• Studies and intent language in the bill:

- Directs the Early Head Start appropriation to be used to implement and expand pilot projects for children ages 0-3.
- Requires DE to provide reading assessments for PK Grade 6 to identify students not proficient in reading and allows DE to charge districts for the cost exceeding the DE resources, based on the number of students assessed.
- Prohibits the Iowa Reading Research Center from expending more than \$250,000 for advanced dyslexia specialist endorsement.
- Requires \$200,000 of the appropriation for mental health be used for a Children's Grief and Loss Rural Pilot Program.
- Requires DE to establish criteria for the distribution of funds for Best Buddies lowa.
- Specifies that STEM Collaborative appropriations related to the recruitment of K-12 math and science teachers and for ongoing math and science programming for K-12 students.

• Other requirements:

- Limits the At-Risk standing appropriation to \$10.5 million and requires funds be prorated (same funding as FY 2025).
- o Maintains allocations for the Student Achievement Teacher Quality Program.
- Includes a contingent effective date regarding at-risk grants if SF 445 (Governor's Child Care Continuum bill) was enacted (it stalled in the House).

UEN was registered as undecided on SF 647.

SF 659 Standing Appropriations:

- **Nonpublic School Transportation:** Limits the FY 2026 General Fund appropriation to the DE for nonpublic school transportation to \$9.0 million. Requires the appropriation to be prorated if the claims exceed the appropriation.
- **ISL State Share:** Suspends the General Fund standing appropriation of \$14.8 million to the DE for the Instructional Support Program for FY 2026 (results in zero state funding).

- **Property Tax Relief Payment** Costs of SF 169 2% SSA: Transfers \$21.9 million from the Taxpayer Relief Fund to the General Fund to pay FY 2026 State school foundation aid to relieve what would otherwise be property taxes as described in lowa Code section 257.16.
- Changes AEA funding cut process:
 - Reduces the standing unlimited FY 2026 State school aid funding for school districts for special education support services (previously AEA funding) by \$25.0 million
 - Specifies that the \$7 million statutory reduction comes out of the school district share of special education support services dollars and prorates based on what districts would otherwise have received.
 - The combined reduction is \$32.5 million, same as FY 2025, but comes out of the school district special education amounts rather than the AEA.
- **Charter Cell Phone Policies:** Adopts corrective provisions for the Governor's cell phone bill, so that it doesn't apply to charter schools.
- Student Abuse Involving a School Employee DHHS Investigations: amends the text of HF 389 that was approved 96 to 0 in the House, but stalled in the Senate, onto the Standings bill.
 - Defines terms:
 - "school employee" means any of the following: a) person employed by a public school or a nonpublic school b) a vendor, or an employee of a vendor, that provides good or services to a public or nonpublic school c) An agent, or an employee of an agent, of a public school or a nonpublic school d) A volunteer under the director or control of 1) the board of directors or any administrator of a public school district, 2) board or authorities in control of a nonpublic school, or 3) the board of directors or administrator of an agency called upon by a school official to provide services to students in an educational capacity. Requires HHS to notify the school board or the authority in charge of a nonpublic school, and the BOEE, if, during a child abuse intake, the HHS receives a report from an identifiable source and the HHS determines the report constitutes an allegation of student abuse involving a school employee.
 - "student abuse" means any of the following which occur on school grounds during school time, or on or at a school-related curricular or extracurricular activity: a) any nonaccidental physical injury, or an injury which does not match the history provide for how the injury occurred, suffered by a students as the result of an act or omission of a school employee, that is not otherwise excluded by Iowa Code 280.21 (2), b) the commission of a sexual offense under chapter 709, section 726.2 or section 728.12 (1), with or to a student as a result of an act or omission of a school employee, and c) an act or omission of a school employee which allows, permits, or encourages a student to engage in an act prohibited under section 725.1.

- Requires each board and authority to place an employee on administrative leave and prohibit the employee from entering school property if the employee is the subject of an ongoing student abuse investigation.
- Requires the HHS to refer the matter to, and cooperate with, the appropriate law enforcement agency; notify the board or authority; and notify the BOEE if the school employee is licensed, certified, or authorized by the BOEE, or holds an active statement of recognition issued by the BOEE, if the HHS determines the alleged student abuse constitutes a criminal act and submit a written investigation report to the board and BOEE.
- Requires the HHS to commence an investigation within 24 hours and complete the investigation within 30 business days of receiving a report of alleged student abuse.
- Requires the HHS to adopt administrative rules, in consultation with DE, regarding the intake and investigation processes, investigation reports, case and investigation record retention and dissemination, and case disposition.
- Requires HHS to maintain information and data regarding student abuse reports, investigations, and dispositions separately from that regarding child abuse reports, assessments, and dispositions under lowa Code chapter 232.
- Makes changes regarding procedures for the handling of student abuse reports and punishment of student abuse by school employees. Requires the DE, in consultation with the HHS, to adopt administrative rules and a model policy for handling investigations.
- Requires the school district to terminate an employee if they receive a written report indicating the DHHS has determined the school employee committed student abuse.

School Budgets – Modified Supplemental Amounts for Extraordinary Open Enrollment into the District:

- Applies to school districts with more than 45% open-enrolled into the district.
- Allows a school board to request Modified Supplemental Amount (MSA) for 50% of authority that would be generated if open-enrolled students were resident students for: 1) District Cost Per Pupil minus State Cost Per Pupil, 2) PD supplement per pupil, 3) EICS per pupil. 4) Note: Does not include TSS. Also, TLC is required to be paid by the resident district to the receiving district per current law.
- Requires the school board to hold a public hearing, which must be published in the newspaper between 10 and 20 days before the hearing, before filing a request for MSA.
- Prohibits the district's combined property tax rate for a year in which MSA is received from exceeding the combined property tax rate from the prior year.
- Applies to school budget years beginning on or after July 1, 2025.

UEN was originally registered in support of the Standings Appropriations bill, when an earlier version in the House included \$14 million for education support personnel supplemental salary. See SF 660 below for that appropriation.

SF 660 Sports Wagering Receipts Fund Appropriations (provisions impacting schools):

- \$14 million for Education Support Personnel Supplemental Salary
 - Appropriates \$14 million to DE for distribution to school districts for education support personnel supplemental salary.
 - Funding is miscellaneous income for school districts.
 - Requires school districts to report to the DE, on or before July 1, 2025, information related to education support personnel employed by the school district in order to receive the funds.
 - O Distributes the \$14 million on a per pupil basis.
 - Specifies education support personnel are "any regular and part-time employees of the school district who are not salaried."
 - Note: Does not require that funding be distributed equally or to all employees that meet the definition (some local discretion to determine distribution of supplemental funds to staff). Does require that it be supplemental income.
 - This section is effective on enactment.
- DE Special Education Appropriation
 - An appropriation of \$5 million for the Division of Special Education, including general supervision, oversight, compliance, employee salaries, support, maintenance, and miscellaneous purposes within the AA regions and the DE main office.
- Public Safety Equipment
 - An appropriation of \$8 million to the Department of Public Safety for deposit into the Public Safety Equipment Fund created in Iowa Code Section 80.48.

UEN supports this bill.

Other Bills Approved This Week:

- <u>HF 189</u> Extracurricular Eligibility (see also Senate Amendment <u>S-1355</u>):
 - Requires athletic unions to add ¼ of grades 9-11 enrollment of the nonpublic school or public school that does not offer the activity to the enrollment of the receiving school that does offer the activity when determining classification for sports. (*This* provision is effective on enactment.)
 - Requires the school board of the resident district to allow a nonpublic student to
 participate in sports if the student's nonpublic school hasn't offered the sport in the
 immediately preceding two years, subject to an agreement between the nonpublic
 school and the school district. Allows the student to participate in a contiguous
 district to their resident district if neither the nonpublic school nor the resident
 district offers the sport. Participation must follow the terms of an agreement
 between the school district and the nonpublic school.
 - Prohibit participation if the nonpublic school has entered into an agreement to participate with another school district or nonpublic school.
 - Nonpublic participation is effective Aug. 1, 2025, except for Football, which is effective June 30, 2027.

UEN was originally opposed, but with changes to the bill including the guardrails and enactment dates, is now registered as undecided.

• HF 856 Diversity, Equity and Inclusion Prohibitions:

- Prohibits state and local governments from doing several things:
 - spending money on diversity, equity and inclusion offices or officers.
 - promotion or promulgation of policies, procedures, activities or programs, designed or implemented with reference to race, color, ethnicity, gender identity, or sexual orientation.
 - promotion as the official position of the state entity (or local government) a
 particular, widely contested opinion re a laundry list of concepts, referencing
 unconscious or implement bias, cultural appropriation, allyship, transgender
 ideology, microaggressions, group marginalization, anti-racism, systemic
 oppression, social justice, intersectionality, neopronouns, heteronormativity,
 disparate impact, gender theory, racial privilege, sexual privilege, or any
 related formulation of these concepts.
- Includes exceptions for academic courses and speakers, requirements of state and federal law.
- Defines gender identity as the identity assigned at birth.
- Authorizes the AG to bring enforcement actions and authorizes various persons to bring civil actions. Effective on enactment.

UEN is opposed to HF 856.

Stalled Bills:

The Governor's Child Care Continuum bill was approved by the Senate and the House Health and Human Services Committee, but remained on the House Calendar as the Session closed down.

Property Tax Reform Proposals also had different measures of progress in the House and Senate. The Senate Ways and Means Committee moved a bill to the Senate Calendar, but the full chamber did not debate/vote on the measure. The House bill remained in the House Ways and Means Committee.

These two bills and all others introduced in the 2025 Legislative Session, many of which were referred back to their committees, remain eligible for consideration in the 2026 Session, the second year of the biennium. Stay tuned for more information about these and other significant proposals, so you and your team of advocates can network with others and reach out to legislators regarding the impact on school districts.

Advocacy Actions This Week

 First, we thank you! Thanks to all of you advocates who followed along, reached out to legislators and/or the Governor, and connected with others in your community about proposed legislation. Power in a democracy only exists if people exercise their right to petition the government for action. Several good bills passed this session, more were improved along the way, and many others, less worthy ideas were stopped. It takes advocates at home to make a difference, and you did. Thank you!

- Thank Legislators, too. Thank Legislators (and the Governor) for HF 787 Education
 Omnibus, which includes TSS, for fixing problems with Chronic Absenteeism, and for
 including \$14 million for education support personnel in their budget agreement.
- Offer to be a resource in the future to understand how proposals will impact students and schools.
- Stay tuned for the UEN Legislative Digest of the 2025 Session, which will detail all the bills that were enacted, the Governor's action, and key legislation that remains eligible for consideration next year.
- Participate in organizational priority setting for the 2026 legislative Session.

Connecting with Legislators: While legislators are not in session, search for their home address or email to receive information from you, ask for their cell phone or the best way to connect with them, invite them to see your school and share successes about your staff and students.

Find out who your legislators are through the interactive map or address search posted on the Legislative Website here: https://www.legis.iowa.gov/legislators/find

Other UEN Advocacy Resources

Check out the UEN Website at www.uen-ia.org to find Issue Briefs, these UEN Weekly Update Reports and Videos, UEN Calls to Action when immediate advocacy action is required, testimony presented to the State Board of Education, the DE or any legislative committee or public hearing, and links to fiscal information that may inform your work. The latest legislative actions from the Statehouse will be posted at: www.uen-ia.org/blogs-list.

Bill Tracker

We will update the UEN bill tracker to include all enacted bills (that were approved in identical form in both the House and Senate, and eventually signed or vetoed by the Governor) and bills that did not make it. Stay tuned for more.

Contact Us

Keep in touch with your questions, comments, and let us know about your advocacy actions.

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