**CALL TO ACTION**

**School Funding/ State Supplementary Assistance**

**Feb. 4, 2022**

**Think Big**: Several policies, including the Governor’s School Choice and Transparency bill, school funding and tax cuts, all began discussion at the Statehouse this week. They are all related. UEN is encouraging the legislature to take a balanced approach, position public schools for success, and consider measured tax relief that does not dampen the State’s future ability to adequately fund schools. We encourage our members to engage in thoughtful discussion and advocacy, respecting our state leaders who are wrestling with these big issues and encouraging advocates to build positive relationships going forward.

**Update on School Funding SSA:** The Legislature is required by Iowa Code to set the increase in the State Cost Per Pupil (SCPP), also known as State Supplementary Assistance (SSA), within 30 days of the release of the Governor’s Budget. That deadline is Feb. 11. Here are the various levels of funding proposed, all of which continue the transportation equity payments and none of which include on-time funding or a proposal to support growth in Preschool.

* **Governor** recommended an increase of 2.5% without formula equity or more transportation funding.
* **House and Senate Democrats** held a press conference on Tuesday announcing support of a 5% increase in the SCPP, which is about $300 million. They specifically mentioned a choice between proposed corporate income tax reductions, which they estimated at $300 million, and an adequate SSA amount.
* **Senate:** [SSB 3090](https://www.legis.iowa.gov/legislation/BillBook?ga=89&ba=ssb3090) sets the per pupil increase at 2.25% for SCPP and for categoricals. Continues the property tax relief payment, adds another $10 per pupil toward formula equity, and specifies that the appropriation to the transportation equity fund is the amount needed for full funding at the state average. This bill was approved in the Senate Education Committee 10-5 and moves to the Senate Calendar. UEN is registered opposed to this proposal, which falls short of the 5.0% requested. We do support the $10 toward per pupil equity and transportation funding in this proposal.
* **House:** [HSB 658](https://www.legis.iowa.gov/legislation/BillBook?ga=89&ba=hsb658) sets 2.5% increase per pupil for SCPP and for categoricals. Continues the property tax relief payment, specifies that the appropriation to the transportation equity fund is the amount needed for full funding at the state average, and adds $5 per pupil toward formula equity. There is a subcommittee set for Tuesday, Feb. 8 at 9:30 AM with a subcommittee of Reps. Dolecheck, Kerr and Staed on HSB 658 SSA. The House also introduced [HSB 660](https://www.legis.iowa.gov/publications/search/document?fq=id:1286699&q=HSB+660) which is a supplemental appropriation for $19.2 million. This supplement is prorated based on budget enrollment and states the funding is to be used for the increased cost of employing para-educators, substitute teachers, bus drivers, and administrative and support staff due to worker shortages, and other increased costs incurred by the school district resulting from goods and services price inflation. The Subcommittee on HSB 660 Funding Supplemental is scheduled for 1:00 on Tuesday, with Reps. Kerr, Latham and Hall.

**The Ask:** The House and Governor have the high mark on SSA, so advocate with your legislators and encourage the House to hold firm and the Senate to match 2.5%. Thank both for the transportation equity funding and encourage the Senate to hold firm on $10 per pupil in formula equity. Although we would prefer the $19.2 million in the formula as additional SSA, we support HSB 660 and encourage the Senate to agree. Specifically, ask about Preschool, as we expect a continued increase in 4-year-old PK enrollment as we come out of the pandemic. There is currently no funding for a PK increase next fall.

**Advocacy Messages:**

* Schools must offer competitive wage and benefits to employees (will likely have to meet 3% for base salary)
* Inflation: CPI-U set by PERB for June arbitrations is 7.5%. Natural gas costs are spiking, bus fuel, shipping costs of curriculum or other supplies, benefits costs, etc. UEN is asking for 5% to meet inflationary costs and invest in workforce challenges and child care for our staff and the community.
* Students need opportunities (could be internships, concurrent enrollment, lower early elementary class sizes – each district is different, but relate it to students.)
* 2.5% leaves 82 districts on budget guarantee, $9.2 million in property taxes that only postpones the significant drop for a year. 2.25% is closer to 89 districts and $11.2 million in property taxes.
* Iowa is below the national average and gap is growing: $1,280 per pupil lower than the USA average (2019 census data), ranking 30th in the nation, and 40th in the nation in the increase in per pupil spending from 2014 – 2019.
* A big chunk of the state cost ($154 million) is $59 million for C&I Property tax hold harmless and $12 million for PTRP. If they would pay those out of the Taxpayer Relief fund or surplus, they could plow that $72 million into a higher SSA rate (revenue neutral for the state General Fund.)
* If a legislator says they are worried about it being sustainable, ask them to peel back on their commitment to tax cuts which also need to be sustainable, do something reasonable, and they’ve got nothing to worry about.
* Until an agreement is announced, keep at it.

See the ISFIS [New Authority Report](https://www.iowaschoolfinance.com/system/files/members/Excel/New%20Authority%20Report%20FY%202023.xlsx) for the impact of various SSA recommendations to your district. Change the dropdown box to any other percentage you’d like to compare.

See the [UEN Issue Brief Adequate School Funding](https://www.uen-ia.org/system/files/Public/IssueBriefs/Issue%20Brief%20SSA%20adequate%20school%20funding%202022.docx), which has additional school funding talking points and comparisons to economic measures you can share with your legislators.

*Contact all legislators this weekend. Floor debate is expected in both Chambers next week.*

**Contact Information:**

The following links will help you find contact information such as email address and often home or cell phone numbers, so you can easily connect with your legislators.

Find your Senator’s contact information here: <https://www.legis.iowa.gov/legislators/senate>

Find your Representative’s contact information here: <https://www.legis.iowa.gov/legislators/house>

If you don’t know who your Legislators are, find out by selecting your school district, through the interactive map, or by entering an address here: <https://www.legis.iowa.gov/legislators/find>

To call and leave a message at the Statehouse, the Senate switchboard operator number is 515.281.3371 and the House switchboard operator number is 515.281-3221. You can ask if they are available, leave a message for them to call you back, or just leave a short message such as **“Pull the best from each funding proposal.** **Adequately fund public schools at 2.5% SSA, $10 per pupil in formula equity, and $19.2 million in supplemental funds**.” (Legislators are typically back home over the weekend).