

Legislature Takes Quick Action to Assist Schools

The House acted quickly in the first week of session to assist education by approving a package of bills to strengthen education for our students and to protect property tax payers.

Race to the Top

One piece of the package, already signed by Governor Culver, was necessary in order for Iowa to be eligible for as much as \$175 million in federal funds to ensure that Iowa students are prepared to compete in the 21st century. The program is designed to improve student achievement and help to turn around Iowa's lowest achieving schools. This legislation amended Iowa's laws in some areas in order to qualify for the funding.

The federal government required states, wishing to be considered for funding under the Race to the Top program, to show that a number of initiatives are in place in law when applying. Iowa already has a number of the required components in its law, which made it easier for Iowa to put together an application for the funds.

If approved for the grant, the funding will be used to help Iowa schools be more innovative in learning programs, work more easily with other school districts to provide programs, and begin turning around Iowa's lowest achieving schools.

State Aid to Schools

Normally, state aid to schools is set by the Legislature 18 months in advance of the school year it is funding. We would be setting the state aid to schools this year for fiscal year 2012, school year 2011-2012.

This year, due to the downturn in the economy, the Legislature delayed action on setting this level of aid to schools until the next legislative session hoping that the economy improves resulting in an increase in state revenues. This would allow the Legislature to set a higher level of aid to our schools.

Protecting Property Tax Payers

The final piece of legislation that was passed on Friday includes a bill requiring school districts to spend their cash reserve funds before they levy property taxes.

School districts are allowed to use their cash reserves to replace the state aid lost due to an across-the-board cut or an under-funding of the school aid formula. Some districts have a larger cash reserve fund than other districts do.

Recognizing that each school district has its own unique set of circumstances, the Legislature put a process in place to review school districts individually. This will ensure that property taxes are not increased unless the school district can show that it is necessary to provide for all aspects of a quality education.