

Iowa House of Representatives

State Representative

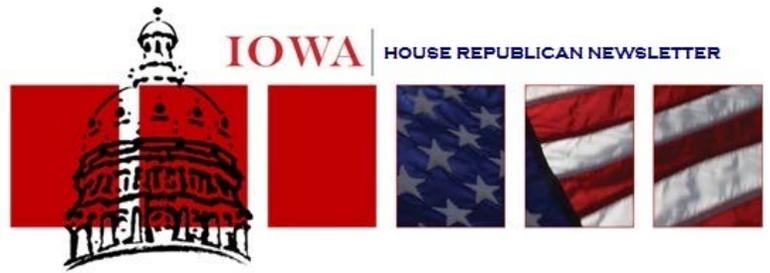
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House Republicans Introduce Education Priorities

House Republicans this week unveiled our school funding plan for the next school year. The plan contains increased funding, an extension of infrastructure dollars, property tax relief for districts, transportation funding for districts with high costs, and a host of new flexibility provisions for existing dollars.

The plan started with committee work on State Supplemental Aid (SSA) to schools, a move that sets the increase for school district general fund budgets and other specific funds used for students and programs. Additional details on the rest of the plan will be released over the coming weeks as the Education Committee works through the various policy proposals.

Increased School Funding

Following 7 years of increased funding for schools, the House Republicans once again put education first by establishing FY 2019 school aid increases as the first budget item. After over \$730 million in increases over the past years, the proposed increase for FY19 adds another \$32 million to the list. This is the result of a 1% increase in the per pupil amount that the state spends, otherwise known as SSA. In this number is the continuation of the state providing property tax relief by picking up the increase in property taxes that results from increasing the per pupil amount.

Since coming into the majority in 2011, House Republicans have worked across the aisle and to the Senate to increase state aid to schools from \$2.446 billion in FY11 to \$3.211 billion, a \$765 million increase. That equates to a 31% increase over that period.

Fiscal Year (school year)	Percent Growth	State Cost Per Pupil	State Spending Increase
FY12 (11/12)	0%	\$5883	\$178 million
FY13 (12/13)	2%	\$6001	\$29.2 million
FY14 (13/14)	2% + 2% one-time	\$6121	\$63.2 million + \$57 million one-time
FY15 (14/15)	4%	\$6366	\$148.6 million
FY16 (15/16)	1.25%	\$6446	\$87.4 million
FY17 (16/17)	2.25%	\$6591	\$135.1 million
FY18 (17/18)	1.11%	\$6664	\$90 million
FY19 (18/19)	1%	\$6731	\$32 million
8-yr total total increase			\$763.5 million

Transportation Cost Relief

In addition to increased funding, school districts have been asking for some sort of relief for the costs related to the transportation of students. This cost is a burden on a district's general fund and the more a district spends getting kids to the door of the school, the less they have to educate those students when they arrive. This is a severe inequality for districts that happen to have geographic hurdles that add to the cost.

Costs on a per pupil basis range as high as \$970 dollars in some districts, with 225 of Iowa's 335 district at or above the statewide average cost of \$315 per pupil.

For this problem that has existed for decades, many, many solutions have been presented over the years, all with significant costs to either the state or local taxpayers. The House Republican proposal under development is to provide \$10 million to districts over the statewide average in FY19 to help offset some of those significant costs.

The SAVE Fund, Infrastructure Dollars

Another issue included as part of the plan is to extend the state's 1-cent sales tax, which flows to school districts for property tax relief and infrastructure needs. SAVE, the Secure an Advanced Vision for Education fund, created out of the SILO (School Infrastructure Local Option) tax in 2009, has a sunset date of 2029. When many districts use these funds as revenue to back bonds for school construction projects, the timeframe to the sunset date prevents them from securing lower-interest, 15-year (or greater) bonds. The legislature has considered how to move forward with this fund for a few years now.

The House Republican plan would extend SAVE for an additional 20 years to 2050. Along with this extension would be a requirement for more of the dollars going to property tax relief, both through a fund called the PTER (Property Tax Equity Relief) fund and through paying back existing district bonds.

In addition to the extension and additional property tax relief, the bill will contain provisions for accountability to the tax payer, ensuring that districts get voter approval for certain projects that are used exclusively for sports and other extracurricular activities.

Flexibility in existing funds

Lastly, the plan will have a bill put forward to "loosen the strings" on existing dollars within district budgets. A number of dollars within districts are siloed from others, meaning they have specific purposes for which they are to be spent. These walls between accounts have risen too high over the years, preventing local school boards and school leadership from making decisions that best fit the needs of their district.

The legislature made significant strides last year on this effort, creating a flexibility fund in district budgets that can capture many unused dollars that districts were unable to spend due to legal restrictions, and adding additional allowable expenses for other funds.

The bill that will be considered this year will further these efforts, providing even more local decision making on funds. This will likely include opening up the options for broader or more focused uses of professional development funding, dollars for students at-risk of dropping out of school, home school assistance program dollars, and dollars used for class-size reduction and early literacy efforts.

Education as a Priority

While an increase in funding was a priority for House Republicans, it's important to keep in mind the context under which the new school funding was issued. A decrease in state revenue meant that cuts in state spending needs to be addressed with reductions in some areas. K-12 funding was not cut in any way during these discussions and actions, when many other areas of state spending will see reductions.

It's quite simple. House Republicans value public education in this state and have since assuming the majority in 2011. State funding for schools has increased every year under their leadership; they helped lead the charge on a transformative education reform package that put teacher leaders in every building in the state to elevate the teacher profession, backing it up with over \$150 million in annual funding; beginning teacher pay was increased; the number of teachers state-wide and the average teacher salary have increased every year; and Iowa's ranking among the states for per-pupil spending is steadily increasing.

Iowa State Veterinary Clinic

As of January 23, 2018, Iowa State had an outstanding principal of \$130,350,000 on Academic Building Revenue Bond issues. Currently there are four separate bonds on the Veterinary Teaching Hospital that were part of the Iowa State Bond Series in 2010, 2014, 2015, and 2016. These bonds will not come to maturity until 2027, 2027, 2035, and 2035.

The Board of Regents has requested that the state legislature help fund building a *new stand-alone* Veterinary Diagnostic Lab on the campus of Iowa State. The total cost of this project is \$124 million. The Board of Regents is requesting \$100 million dollars over five years from the State of Iowa – while still paying off the current Vet building. The remaining \$24 million of the request will come from other sources.

The current Veterinary Diagnostic Laboratory at Iowa State is located in the same building as the as the Veterinary Teaching Hospital. The current square footage of the building is 83,000 square feet. This clinic processes over 80,000 cases per year. The major concerns that the stakeholders currently have include overcrowding, safety concerns, and biocontainment issues.

Iowa Veterans Home Presents to the House Veterans Affairs Committee

Last Thursday the Iowa Veterans Home came present before the House Veterans Affairs Committee. Commandant Oujiri gave a brief summary of the Iowa Veterans Home, which is located in Marshalltown, and answered questions for the committee members.

The Commandant started off with a general history of the veterans home which accepted its first resident on December 1, 1887. Amos Fox was a veteran of the Civil War and a resident of Livermore, Iowa. Over 15,000 Iowa Veterans and Spouses have walked through IVH doors since 1887.

The Veterans home is 150 acres and is one of the largest State Veterans Homes in the United States of America. They have 493 residents which consist of veterans from World War II, the Korean War, the Vietnam War, the Gulf War, and Peacetime. The two levels of care that the home offers are Residential Care and Nursing Care. Residential care is the level of care where the resident cares for his or her own needs and Nursing Care is the level of care in which a resident needs assistance in physical needs and activities of daily living.

Their staff consists of 867 full, part-time, and temporary employees. With the chapter 20 changes that the legislature passed last session, the Iowa Veterans Home remains competitive with outside medical facilities in regards to both salary and healthcare/benefits packages. They recently hired three new nurses.

The Veterans Home provides a multitude of services on site including recreation therapists, dietitians, chaplains, open gym, wheelchair maintenance/repair, dermatology, music programs, ceramics, beauty/barber shop, and so much more. They contract dental, podiatry, optometry, and occupational therapy services for their members and have on-site offices for these medical providers. They also plan off-site recreational activities for their residents and provide travel for them in Iowa Veterans Home buses that drive about 25,000 miles per year.

With all this information that was provided to the House Veterans Affairs Committee, it is clear why the Iowa Veterans Home is one of the top in the nation

ISU Bond Series	Outstanding Principal	Final Maturity	Authorized Projects for Bond Issues	Refunding Issue
2009	\$5,375,000	2019	Advanced Technology Lab, International Center	Yes
2010	\$27,925,000	2035	Veterinary Teaching Hospital, Hach Hall (Chemistry)	No
2013	\$1,950,000	2020	Engineering & Teaching Research Complex	Yes
2014	\$12,975,000	2027	Veterinary Teaching Hospital, Coover Hall (Engineering), Veterinary Diagnostic Lab, Fire Safety	Yes
2015	\$10,370,000	2027	Veterinary Teaching Hospital, Coover Hall (Engineering), Veterinary Diagnostic Lab, Fire Safety, Deferred Maintenance	Yes
2016	\$22,220,000	2035	Veterinary Teaching Hospital, Coover Hall (Engineering), Veterinary Diagnostic Lab, Fire Safety, Deferred Maintenance	Yes
2017	\$24,175,000	2030	Hach Hall (Chemistry)	Yes
2017A	\$25,360,000	2035	Hach Hall (Chemistry)	Yes

Thank You, It's Time to Go

After eight years representing District 79, I have decided to retire from the Legislature at the end of this term. It has been an honor to serve in the Iowa House, but it is time for me to devote more time to family. Thank you to my colleagues in the House and to those of you who have been supportive in so many ways. Whatever successes we have enjoyed are due mostly to you.