



2025 Legislative Priorities

School Administrators of Iowa is a statewide organization representing more than 2,100 Iowa educational administrators. The role of SAI is to support, encourage and develop Iowa's educational leaders and learners.

The following information represents the major legislative priorities of SAI and its members for the 2025 Iowa legislative session.

Overview

- **Supplemental State Aid (SSA)**
 - SAI supports an increase in SSA of at least 5% for the 2025-26 school year.
 - SAI encourages the legislature to meet the statutory guidelines and set the SSA percentage in a timely manner.
 - SAI feels that a 5% SSA increase is necessary to outpace inflation and the impact of increased costs of supplies and labor over the past several years.
- **Employee Recruitment and Retention**
 - SAI encourages efforts to increase funding for teachers' salaries and compensation — both for new and current teachers and staff.
- **Preschool and Early Literacy**
 - SAI supports a focus on early literacy, including fully funding PK programs.
- **Funding Equity**
 - SAI supports efforts to make all school funding as equitable as possible from all perspectives, including socioeconomic status and at-risk factors.
- **Mental Health**
 - SAI supports efforts that are solution-focused regarding mental health issues with children.
- **Education Savings Accounts (ESA)**
 - SAI encourages legislation to address issues presented by the ESA law, including transparency, transportation, and funds returning to public schools.
- **Area Education Agency (AEA) System Support Statement**
 - SAI supports the statewide AEA system and the students, parents and staff that they serve.



SAI School
Administrators
of Iowa

2025 Legislative Priorities

Details

Supplemental State Aid (SSA)

SAI supports an increase in SSA of at least 5% for the 2025-26 school year (FY26) and encourages the Legislature to set the SSA by the timeline required in law.

SAI requests that the Legislature set the supplemental state aid rate within the **statutory deadline** of the first 30 days of the legislative session in accordance with Iowa Code so that schools can properly budget and plan for FY26. SAI requests that the supplementary **state aid rate increase be set at 5%**. We feel that this is necessary to outpace inflation, in addition to the impact of increased costs of supplies and labor over the past several years. Categorical funding should also be increased at the same rate as supplemental state aid.

Unfortunately, the funding levels of SSA over the past several years have not been adequate proportionally with the increased costs of educating Iowa children. School district expenditures historically increase by 3 to 4% each year; however, costs have increased at a significantly higher rate in the past three years. Recent SSA has not been adequate funding for our schools considering the defacto 3% settlement requirement for teaching staff, and inflation rates. In addition, with low SSA, districts that have even slight declines in enrollment may experience a loss of funding that may require them to increase local property taxes to reach the “budget guarantee.”

In the last legislative session the FY25 SSA was set at 2.5%. With that percentage increase, the number of schools on the **budget guarantee** essentially doubled, from 71 to 140 (FY24 to FY25). The amount of tax dollars needed for that almost tripled, from \$5.4 million to approximately \$15.5 million. **All of these dollars come from local property taxes.**

In addition, some of the new legislation in recent years resulted in unfunded mandates that require increased expectations and actions for school districts while providing no additional resources for the districts. Specific examples from last session include the chronic absenteeism bill and the Reading Improvement plans legislation. Both of these will result in increased expenditures, and, perhaps more importantly, a significant increase in labor at the building and district level. SAI urges the Legislature to eliminate all unfunded mandates.

School districts continue to face a critical shortage of teachers and support staff, partially due to the ability of the private sector to increase wages and salaries. Districts are unable to remain competitive with the private sector without increased state funding. In addition, the current inflation rates add to the pressure on districts to increase wages for all staff.



2025 Legislative Priorities

Employee Recruitment & Retention

SAI encourages efforts to increase funding for teacher's salaries and compensation, both for new and current teachers as well as support staff. Last years' legislation provided targeted funding to more adequately compensate teachers and staff, but additional steps are needed.

The state of Iowa has a significant shortage of teachers and support staff. Survey data from last fall supports this fact, and while the impact of the shortage varies geographically and demographically, it is a statewide and nationwide issue. ([SAI survey data.](#)) Many districts continue to struggle to fill teaching and other positions or have been forced to fill positions temporarily. SAI has collected anecdotal evidence for [this year's shortage issues](#). There have been efforts during recent legislative sessions to assist districts in finding teachers to fill positions. Efforts to ease the burden of licensure and certification, both financially and logistically have been helpful, but many of them are band-aids and do not address the big-picture issue. There needs to be significant work done to help districts in hiring and retention.

- The teacher compensation legislation for the 2024 session infused a significant amount of funding for teacher pay. However, there have been issues with implementation that have created funding issues for districts. In addition, the **salary compaction** issues were not addressed by the Legislature and need to be discussed in this session, along with a review of inequities in the TSS increases, district to district. The Legislature should also consider adjustments to the compensation calculations that would help districts to provide compensation to staff in a manner that would include acknowledgment of unique situations around TLC, time in district, etc. SAI also encourages continuing efforts to assist with the student-to-teacher pipeline (Teacher & Paraeducator Registered Apprenticeship Program).
- SAI also supports measures that would provide more **flexibility within the Management Fund** offering more financial options for districts to recruit and retain staff.
- Legislative suggestions would include: specific efforts to address [major shortage areas](#), and increasing the areas allowed for Alternative pathways, similar to what has been done with CTE licensure.

Additional data to support the positions of SAI:

<https://learningpolicyinstitute.org/product/state-of-teacher-workforce-interactive>



2025 Legislative Priorities

In both the short- and long-term, SAI favors legislation, policy, and public support that will not only provide improved compensation for educators but will also foster the respect for the education profession that is deserved. Only when we can do this, will we be able to have adequate numbers of quality individuals educating Iowa children.

Pre-Kindergarten Programs and Early Literacy

SAI supports a focus on early literacy, including fully funding PK programs.

Early Literacy programs provide children with a strong foundation for future literacy achievement. They help children develop oral language skills, an understanding of the alphabetic principle, and knowledge of print concepts. Early literacy programs also help children be kindergarten-ready, so they enter school ready to learn. In addition, successful early literacy/PK programs have a **positive impact on community economic development and workforce issues**. SAI supports a focus on early literacy, including fully funding PK programs. Ideally, all PK students would be funded at the 1.0 level, but an emphasis specifically on students who live below the poverty level would be key. A plan that would phase in additional seats and funding for PK programs would be a step in the right direction.

PK Data

[https://www.ia-sb.org/docs/default-source/advocacy-center/toolkits/literacy/preschool-advocacy-sheet-\(updated-aug.-2024\).pdf?sfvrsn=55a3320f_1](https://www.ia-sb.org/docs/default-source/advocacy-center/toolkits/literacy/preschool-advocacy-sheet-(updated-aug.-2024).pdf?sfvrsn=55a3320f_1)

Funding Equity

SAI supports efforts to make all school funding as equitable as possible from all perspectives, including socioeconomic status and at-risk factors. SAI also encourages deferring to expanded local control as they allocate funds.

Iowa's educational system was founded on the premise of equity for all students in the state, regardless of geographic location or socioeconomic status. To that end, SAI supports legislation and funding that will make and allow that to happen. The Transportation Equity and the District Cost Per Pupil equity legislation put in place in recent years are excellent examples of this and are to be commended. But, we need to continue to make strides regarding the DCP, to reach equity in that area eventually. Additional legislation is needed in other areas of existing inequity.

- In our opinion, last year's **AEA legislation** created additional inequity between school districts in a number of ways. We are hopeful that this will be documented by the AEA Task Force that meets in the fall of 2024 and corrected by the legislature in the 2025 session.



2025 Legislative Priorities

- **Dropout Prevention/At-Risk Cap** — The percentage of students who qualify for free and reduced lunch has increased dramatically in many districts after the date the Dropout Prevention/At-Risk cap was put in place. Additionally, many districts are using this funding source to directly support mental health services for their students. Dropout Prevention funding is currently based on the total enrollment count, not the percentage of students at risk. Although flexibility for the use of DoP funds has been legislatively expanded, DoP funding is still limited to 2.5% of the total regular program district cost for many districts. The current disparity in this funding mechanism is arbitrary and based on a history that is no longer relevant to supporting student needs, and all districts should be granted the option of flexibility to increase their DoP to 5% with board approval and community input.

SAI supports allowing ALL school districts to establish Dropout Prevention funding at the 5% level, if they desire to do so.

- **Funding Formula**
Socioeconomic status does not limit any individual student. However, districts with large numbers of students in poverty have unique needs that require additional resources.

SAI supports the inclusion of **socioeconomic status in the school foundation formula**. Additional funding for districts with higher percentages of students living in poverty will help those districts meet the unique needs of those children.

SAI also encourages a review of weighting for dual enrolled students (home school) to allow for equitable funding.

- **Categorical Funding**
Not all categorical funds are allocated at the same amount per student in all districts. In actuality, most of the categorical funds differ in per-pupil amounts. These should be allocated at the same amount per student.
- **Special Education**
SAI urges a review of special education weighting and funding, as well as costs. Again, the AEA legislation has put unintended funding pressures on special education services that are happening now and predicted in the future.

SAI believes that the best financial decisions are made at the point closest to the actual process. We believe in local control of decision-making, particularly at the school board and administrator level.



2025 Legislative Priorities

Mental Health

SAI supports efforts that are solution-focused regarding mental health issues with children.

The state has taken some important steps in addressing the critical mental health needs of students. Therapeutic Classroom grants, provider loan forgiveness programs, telehealth expansion and other pieces of legislation are a start toward improving these services for children. This work does not go far enough to address the continuing mental health needs of children. **SAI supports a comprehensive look at the growing mental health needs in the state of Iowa and the funding and implementation of external support for students with mental health issues.** SAI urges the Legislature to continue to build on and encourage public/private partnerships in this endeavor.

It is important to note that the AEA legislation may have a significant impact on the ability and availability of AEA staff to assist school districts with support for behavioral issues.

Suggested specific steps:

- Provide additional funding for **training of school staff** related to dealing with violent behavior and mental illness in schools.
- Increase funding for **Therapeutic Classrooms** and adjust the process/timeline for grant-making/availability of funds.
- Find ways to increase **providers** for children needing mental health services.
- **Incentivize consortiums** between districts to assist with mental health services.
- Increase the weighting for **Operational Sharing** of social workers/providers, as well as expanding the maximum weighting, and/or exempting those positions from the maximum count.

Education Savings Accounts

SAI encourages legislation to address issues presented by the ESA program, including transparency, transportation, and funding returning to public schools.

SAI recognizes the legislation created by HF 68 in the 2023 session. While the organization fundamentally disagrees with public funds being directed to private school entities, the legislation is a reality. With that said, several issues can and should be addressed concerning the ESA system. First and foremost are the costs of that program, which continue to be above projections. In addition, SAI urges the Legislature to adjust Iowa Code in order to **equalize expectations around student admission and other policies** for non-public and public schools. Issues around **transparency of policy and use of funds**, including financial reviews



2025 Legislative Priorities

and audits, transfer of **unused funds back to the public schools**, and funds allocated to **non-public student transportation** expectations should be corrected. ESAs should not be expanded to homeschool students or non accredited private schools, nor should the accreditation process be weakened.

Area Education Agency System Support Statement

The Area Education Agency System was created to assist school districts in educating students and to provide all students access to all required services.

SAI strongly supports a comprehensive review by the Task Force as legislated in HF 2612. We are hopeful that this task force will present information that will guide legislation to adjust some of the current law that will address equity issues across districts that pertain to resources and the ability to provide services, particularly to Special Education students.

Changes to the ways that AEAs provide services to students and schools should be made carefully and in collaboration with all affected parties to avoid a reduction or elimination of essential services for children that may be extremely difficult, if not impossible, to replace.

SAI supports the statewide AEA system and the students, parents and staff that they serve.