

ISBA 2022 Legislative Priorities

October 11, 2021

1. Supporting the Teaching Profession and Addressing Teacher Shortages

A. Attaining Teacher Pay Goals. ISBA commends the Indiana General Assembly for the K-12 tuition support increases committed during the 2021 budget session for the current biennium. Nearly \$1 billion in new funding has been dedicated over this two-year period for Education Fund expenditures of school corporations, which are largely dedicated to teacher and certified staff pay and benefits. Included in HEA 1001 were goals and requirements for school corporations to meet concerning teacher pay. One stipulation requires that school corporations spend 45 percent or more of tuition support on pay for teachers who spend at least 50 percent of the school day in the classroom. **ISBA supports legislation to clarify the computation to include all certified staff in the bargaining units, instructional expenses for students enrolled in CTE and/or a special education cooperative, and total teacher compensation, including the cost of benefits, pension contributions, social security, and FICA contributions.**

B. Recruiting and Retaining Teachers. Use of emergency permits by Indiana school corporations has escalated, underscoring the need for new programs and strategies that address the teacher shortage. Indiana issued 4,496 emergency permits for the 2019-20 school year, a startling 46% increase compared to 2015-16. Special education accounted for 27% (1,218) of the emergency permits issued in 2019-20, while STEM fields represent three of the top 10 emergency permit areas.

Recruitment and retention strategies supported by ISBA include:

- Compensation for pre-service teachers who participate in teacher residency programs.
- A “Grow Your Own” grant program offering competitive grants to school districts and postsecondary institutions to develop and implement “Grow Your Own” programs aimed at attracting high school students to pursue a career in education
- A scholarship program for paraprofessionals, teachers’ aides, and emergency permit holders that provide \$3,000-\$5,000 toward a teaching degree or add-on in exchange for a two- to three-year service commitment
- Development and expansion of cadet teaching programs at Indiana high schools
- Student loan forgiveness or loan repayment assistance programs targeted to teachers in critical shortage areas

2. Suspending A-F School Accountability Grades and Expediting Move to Data Dashboard System

ISBA supports suspending the current state A-F accountability system and favors an accelerated implementation of a data dashboard system that provides the public with multiple measures, including opportunity gap indicators, beyond test scores for which to judge the quality of all schools that receive state tuition support. Furthermore, ISBA supports the creation of a pilot program during the 2022-2023 school year to allow for a demonstration of the data dashboard and the opportunity to modify and enhance the reporting system before full implementation by the statutory deadline in 2024.

3. Supporting Deregulation Initiatives

With the high volume of K-12 public education laws that are passed each year by the General Assembly (157 new laws in four years), ISBA supports efforts to reduce, streamline, and/or repeal K-12 education laws that are non-essential or obsolete, and/or to provide greater flexibility to schools through expanded waivers or other similar means. While past legislation has suggested deregulation initiatives be studied by interim study committees, ISBA believes that creation of a **Blue Ribbon K-12 Education Deregulation Commission** would help to achieve common deregulation opportunities, cost-savings initiatives, and provide for a structured mechanism for regular review of Title 20 code provisions.

4. Reviewing Local Government Financing Matters

ISBA supports a review of local government finance matters by the legislature to consider eliminating the maximum levy growth quotient (MLGQ) and instead factor in actual annual growth in assessed value while adjusting for circuit breaker tax cap losses. In addition, ISBA would support eliminating Controlled Project thresholds to move to a maximum referendum property tax rate mechanism. In addition, ISBA supports continued analysis of the financial impact of TIF districts on other units of government.

5. Examining Referendum Issues

A. Clarifying Referendum Tax Rate Information

HEA 1271 (Public Law 38-2021) revises the local public question for Controlled Projects, Operations, and school safety referenda of school corporations to include the “estimated average percentage of property tax increase” on residential and business property. This new language replaced the prior long-standing language that provided the proposed property tax rate increase per \$100 assessed valuation to the property taxpayer. This new language is considered ambiguous and could misinform a taxpayer that would pay significantly less, or more, than the average percentage of property tax increase. ISBA supports reverting back to the prior language with the requirement that the school corporation or the Department of Local Government Finance publish an impact report with an online calculator for taxpayers to understand the direct impact of the referendum.

B. Adding Capital Referendum (Controlled Project) Net Tax Rate Ballot Language

ISBA proposes allowing school corporations to adjust the “estimated average percentage of property tax increase” included in the ballot question to a net average on a resident and business after deducting any retirement of debt scheduled during the lifespan of an approved referendum. Due to the cost of the project, the net tax rate impact is an additional piece of information needed so that taxpayers/voters can understand the long-term cost impact to them. Inclusion of this information on the ballot will provide a more accurate depiction of the tax rates and levies of the school corporation.