

# **Standing Appropriations Bill – II**

## **Senate File 538**

*Senate/House Difference Comparison*

Last Action:

**Senate Floor**

June 22, 2011

### **Executive Summary Only**

**An Act relating to the finances of state and local government by providing for funding of property tax credits and reimbursements, by making and adjusting appropriations, providing for salaries and compensation of state employees, providing for matters relating to tax credits, providing for fees and penalties, providing for legal responsibilities, and providing for properly related matters, and including effective date and retroactive and other applicability provisions.**

**Fiscal Services Division**  
**Legislative Services Agency**

### **NOTES ON BILLS AND AMENDMENTS (NOBA)**

Available on line at <http://www.legis.iowa.gov/LSAReports/noba.aspx>

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# STANDING APPROPRIATIONS BILL

## EXECUTIVE SUMMARY NOBA

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**NOTE:** This summary compares the Senate action in S.F. 538 to the House action in H.F. 697 (Omnibus Appropriations Bill). House File 697 represents the most recent House action on the standings appropriations budget.

**Funding Summary:** Senate File 538 appropriates a total of \$2,404.5 million from the General Fund for FY 2012, including \$2,624.2 million for State School Aid and a net decrease of \$219.7 million to other standing appropriations. The Bill also makes supplemental appropriations for FY 2011 from the General Fund totaling \$3.1 million. The Bill also appropriates a total of \$2,581.4 million from the General Fund for FY 2013, including \$2,756.1 million for State School Aid and a net decrease of \$174.7 million to other standing appropriations.

Senate File 538 also appropriates \$38.7 million from the Economic Emergency Fund in FY 2012 and \$39.1 million in FY 2013. **See the attached tracking document for funding totals and difference comparisons for individual budget unit items.**

**Biennial Budgeting – FY 2013:** The Omnibus Bill (H.F. 697) appropriates General Fund, other funds, and FTE positions for FY 2013 for standing appropriations and also includes necessary corresponding language. The FY 2013 appropriations are equal to 100.0% of the H.F. 697 appropriations for FY 2012, with the following exceptions:

- **Child Development – At-Risk Early Childhood Education:** The FY 2013 appropriation represents an increase of \$2.3 million compared to the FY 2012 appropriation.
- **Agricultural Land and Family Farm Tax Credit:** The FY 2013 appropriation represents an increase of \$6.7 million compared to the FY 2012 appropriation. The FY 2013 appropriation does not appear in the Omnibus Bill (H.F. 697) language since the appropriation is not being changed. This results in the tax credit being fully funded for FY 2013 at \$39.1 million.
- **Homestead Tax Credit:** The FY 2013 appropriation represents an increase of \$48.8 million compared to the FY 2012 appropriation. The FY 2013 appropriation does not appear in the Omnibus Bill (H.F. 697) language since the appropriation is not being changed. This results in the tax credit being fully funded for FY 2013 at \$135.0 million.
- **Farmers with Disabilities Program:** The FY 2013 appropriation for the Farmers with Disabilities Program is 85.0% of the FY 2012 appropriation, or a decrease of \$14,550.
- **Sac and Fox Indian Settlement Children Education:** The standing appropriation for the Sac and Fox Indian Settlement Children Education for FY 2013 and future fiscal years standing appropriation is 85.0% of the FY 2012 standing appropriation, or a decrease of \$15,000.

The Senate provides 50.0% of the FY 2012 Senate action appropriations for FY 2013, with the following exceptions:

- **Child Development – At-Risk Early Childhood Education:** The FY 2013 appropriation is 100.0% of the FY 2012 appropriation, limited to \$10.7 million.
- **Sac and Fox Indian Settlement Children Education:** The standing appropriation for the Sac and Fox Indian Settlement Children Education for FY 2012 and future fiscal years is \$100,000. There is no reduction for FY 2013.
- **Agricultural Land and Family Farm Tax Credit:** The FY 2013 appropriation is 100.0% of the FY 2012 appropriation, limited to \$32.4 million.
- **Homestead Tax Credit:** The FY 2013 appropriation is 100.0% of the FY 2012 appropriation, limited to \$86.2 million.

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## Language Differences

**Salaries of Appointed State Officials:** The Senate requires the Governor to establish salaries for appointed nonelected persons in the Executive Branch for FY 2012 and FY 2013. The Omnibus Bill (H.F. 697) does not address this.

**Collective Bargaining Agreement Funded:** The Senate specifies that State agencies fund the collective bargaining agreements and annual pay adjustments for FY 2012 and FY 2013 from existing resources. The Omnibus Bill (H.F. 697) does not address this.

**Board of Regents Salary Adjustment:** The Senate requires the Board of Regents to use existing funds for salary adjustment increases for FY 2012 and FY 2013. The Omnibus Bill (H.F. 697) does not address this.

**Bonus Pay:** The Senate specifies that the restriction on bonus pay does not apply to employees of the Board of Regents. The Omnibus Bill (H.F. 697) specifies that it does not apply to employees of the Board of Regents if the bonuses are funded with nonpublic moneys.

**Performance of Duty:** The Senate establishes a standing appropriation from the Economic Emergency Fund (EEF) for Performance of Duty costs and appropriates from the General Fund an amount necessary to cover any costs that exceed the amount available in the EEF. The estimates are included in other funds tracking and include: \$38.7 million for FY 2012 and \$39.1 million for FY 2013. The EEF is expected to contain the estimated funds necessary so there is no immediate impact to the General Fund. The Omnibus Bill (H.F. 697) caps the General Fund appropriation for Performance of Duty at \$38.0 million for FY 2012 and FY 2013.

**Vision Screening Program:** The Senate appropriates \$100,000 to the Department of Public Health to provide a grant to a national affiliated volunteer eye organization for a Vision Screening Program. The House does not address this.

**Group Home Grant:** The Senate makes a \$100,000 FY 2011 General Fund supplemental appropriation to the Iowa Finance Authority for the Hills and Dales Child Development Center in Dubuque for the remodeling costs of a four-bed group home. The Senate also permits the FY 2011 appropriation to carry forward to FY 2012. The House does not address this.

**Special Education Instructional Program:** The Senate requires the Department of Management to recalculate teacher salary supplement and professional development supplement per pupil amounts for area education agencies (AEAs) and school districts that are ending teacher contractual agreements for instruction provided by AEAs to school districts for a special education instructional program where the teachers were employed by the AEAs on behalf of the school districts. This adjustment will be made for AEA 267 and school districts within that AEA. The adjustment will occur in FY 2013, is revenue neutral, and will have no fiscal impact. The House does not address this.

**Child Abuse Iowa Task Force:** The Senate requires Prevent Child Abuse Iowa to convene a task force to provide recommendations to the Governor and the General Assembly by January 16, 2012, for the prevention of sexual abuse of children. The House does not address this.

**Liability Limits for Certain Railroad Companies:** The Senate requires a railroad company that alters its facilities pursuant to a written agreement with Iowa City to construct a flood mitigation project to receive certain limitations on liability. The House does not address this.

**Election Software Provisions:** The Senate specifies that election activity software developed by a county is the property of the county unless the county sells the rights to that software. The House does not address this.

**Effective Date Change for S.F. 205:** The Senate changes the effective dates for specified sections in S.F. 205 (DOT Motor Vehicle Changes Act – enacted April 12, 2011) by making them effective when the FY 2012 Standing Appropriations Bill is enacted rather than on July 1, 2011. The House does not address this.

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**Membership Changes for the Iowa Law Enforcement Academy:** The Senate increases the voting members of the Iowa Law Enforcement Academy by two members, taking the total membership from 13 voting members to 15, with the addition of a member of a county conservation board and a DNR conservation peace officer. The House does not address this.

**Preschool Formula Weighting Change:** The Senate proposes reducing the preschool formula weighting from 0.6 to 0.5 beginning in FY 2012. This will reduce General Fund expenditures by approximately \$11.6 million compared to the current law estimate for FY 2012 preschool formula funding. The House has proposed reducing the preschool formula weighting from 0.6 to 0.3 beginning in FY 2012. The House proposal will reduce General Fund expenditures by approximately \$34.9 million compared to the current law estimate for FY 2012 preschool formula funding.

**Child Development Grant Provisions:** The Senate permits grantees receiving funds from the Child Development appropriation to the Department of Education (DE) to direct the use of funds to any qualifying child ranging in age from three to five years old, regardless of the age range to be served in the grantee's initial application. The House does not address this.

**Municipal Utility Archeological Survey:** The Senate specifies that the State Historic Preservation Officer may only recommend that a municipal utility conduct an archeological site survey of a proposed route for the construction of electric distribution and transmission facilities when the Officer has determined that a historic property is likely to exist within the proposed route. The House does not address this.

**Membership Changes for the Watershed Planning Advisory Council:** The Senate adds three additional members to the Watershed Planning Advisory Council; one member from the Agribusiness Association of Iowa, one from the Iowa Floodplain and Stormwater Management Association, and one from the Iowa Rivers Revival. The House does not address this.

**Construction Contract Definition Changes:** The Senate removes highways, roads, bridges, tunnels, transportation facilities, and airports from the definition of construction contract as specified in S.F. 396 (Construction Indemnity Agreements Act). The House does not address this.

**Government Purchasing:** The Senate codifies a provision in S.F. 2088 (Government Reorganization and Efficiency Act) relating to State government purchasing efforts by the DAS. The House does not address this.

**Contract Services:** The Senate codifies a provision in S.F. 2088 relating to contract services and training. The House does not address this.

**Government Technology Services:** The Senate continues a requirement in S.F. 2088 that the DAS consult with and explore technology services to the Judicial and Legislative Branches of government. The House does not address this.

**Electronic Renewal Provisions:** The Senate continues a requirement in S.F. 2088 that State agencies utilize electronic means for renewal notices for licenses and permits. The House does not address this.

**LEAN Provisions:** The Senate continues a requirement in S.F. 2088 that State agencies budget and plan to conduct LEAN events and share resources for staff and training. The House does not address this.

**Review of Fees:** The Senate continues a requirement in S.F. 2088 that the Joint Appropriations Subcommittees of the General Assembly examine and review fees charged by State agencies. The House does not address this.

**Hiring Process:** The Senate continues a requirement in S.F. 2088 that the DAS streamline the hiring process for State agencies. The House does not address this.

**Tobacco Retail Compliance Checks:** The Senate limits the number of tobacco retail compliance checks that the Alcoholic Beverages Division can perform in FY 2012 to one check per retail outlet and one follow-up check for those that are not compliant during the first check. The House does not address this.

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**Payroll System:** The Senate continues a requirement in S.F. 2088 that the DAS examine the possibility of merging payroll systems. The House does not address this.

**Earned Income Tax Credit:** The Senate increases the Earned Income Tax Credit from 7.0% to 10.0% of the federal credit. The Omnibus Bill (H.F. 697) also increased the Credit to 10.0%.

**FY 2012 School Aid Allowable Growth Rate (See Table 1 for details):** The Senate version includes:

- Although not specifically addressed in the Bill, the FY 2012 allowable growth rates for school aid and the State categorical supplements would default to 0.0%.
- An additional AEA reduction of \$20.0 million.
- Reducing the preschool formula weighting from 0.6 to 0.5 beginning in FY 2012.
- The State General Fund amount totals \$2.624 billion, an increase of approximately \$178.3 million compared to the State General Fund amount for estimated FY 2011. This includes \$2.250 billion for regular school aid, \$315.7 million for the State categorical supplements, and \$58.4 million for preschool formula funding.
- School aid property taxes are estimated to total \$1.314 billion, an increase of \$65.0 million compared to estimated FY 2011.

The Omnibus Bill (H.F. 697) includes:

- Although not specifically addressed in the Bill, the FY 2012 allowable growth rates for school aid and the State categorical supplements would default to 0.0%.
- An additional AEA reduction of \$20.0 million.
- Reducing the preschool formula weighting from 0.6 to 0.3 beginning in FY 2012.
- A provision that includes transferring monies from the Secure an Advanced Vision for Education (SAVE) Fund to the Property Tax Equity and Relief (PTER) Fund to ensure the PTER Fund receives \$25.0 million beginning in FY 2012. In FY 2012, this would require an additional SAVE transfer of \$18.3 million to the PTER Fund. The PTER funds are used to provide targeted tax relief through the school aid formula.
- The State General Fund amount totals \$2.601 billion, an increase of approximately \$155.0 million compared to the State General Fund amount for estimated FY 2011. This includes \$2.250 billion for regular school aid, \$315.7 million for the State categorical supplements, and \$35.1 million for preschool formula funding.
- School aid property taxes are estimated to total \$1.296 billion, an increase of \$46.7 million compared to estimated FY 2011.

**FY 2013 School Aid Allowable Growth Rate (See Table 2 for details):** The Senate version includes:

- A 3.0% allowable growth rate for regular school aid and the State categorical supplements.
- The State General Fund amount totals \$2.6756 billion, an increase of approximately \$131.7 million compared to the State General Fund amount for the Senate's proposal for FY 2012. This includes \$2.367 billion for regular school aid, \$324.3 million for the State categorical supplements, and \$65.1 million for preschool formula funding.
- School aid property taxes are estimated to total \$1.324 billion, an increase of \$9.1 million compared to the Senate proposal for FY 2012.

The Omnibus Bill (H.F. 697) includes:

- A 2.0% allowable growth rate for regular school aid and the State categorical supplements.

- The State General Fund amount totals \$2.677 billion, an increase of approximately \$76.4 million compared to the State General Fund amount for the House proposal for FY 2012. This includes \$2.317 billion for regular school aid, \$321.5 million for the State categorical supplements, and \$38.7 million for preschool formula funding.
- School aid property taxes are estimated to total \$1.303 billion, an increase of \$6.9 million compared to estimated FY 2012.

**School Employee Misconduct:** The Senate requires the Board of Educational Examiners to provide licensees with annual training relating to the Board's Code of Professional Conduct and Ethics and authorizes the Board to deny a license or revoke the license of an administrator that fails to report the termination or resignation of a licensed employee for reasons of alleged or actual misconduct. The Senate requires local school boards and nonpublic school authorities to place an employee being investigated for alleged student abuse on administrative leave. The Senate requires the local board or authorities to notify the Board of Educational Examiners if the investigation results in a finding of criminal conduct by a licensed employee. The Senate extends immunity from civil and criminal liability to school and area education agency employees that make a report regarding physical or sexual abuse of a student. The House does not address this issue.

**Business Property Tax Credits:** The Senate creates a business property tax credit for commercial, industrial, and railroad property. The credit first applies to property taxes paid during FY 2013, and a standing General Fund appropriation of \$50.0 million is created to fund it. The language provides that, if the year-over-year General Fund revenue growth of the State exceeds 4.0%, the standing limited appropriation is increased by \$50.0 million. This increase may occur up to three times, so the maximum annual appropriation is \$200.0 million. The earliest the maximum could be reached is FY 2016. The Omnibus Bill (H.F. 697) does not include this provision.

**County and City Budget Limitation:** The Senate eliminates property tax levy rate limitations on county general and rural funds and city general funds. These levy rate limitations are replaced by a limitation on the maximum amount of property tax dollars certified for expenditure by a city or county beginning in FY 2014. Growth in the maximum property tax amounts will be limited to the change in the Midwest Consumer Price Index plus the value of any net new construction. The House provides similar, but more restrictive, provisions and the House specifies that the limitation begins a year earlier in FY 2013.

**Residential Property Assessment Limitation:** The Senate creates a new 50.0% floor on the residential property tax rollback for valuations established after January 1, 2012. This floor will mean the percentage of a residential property's assessed value that may be subject to taxation cannot fall below 50.0%. This change is not likely to impact residential taxable values until at least FY 2020. The House does not include this 50.0% floor.

**State Fair Board:** The Senate changes the Iowa State Fair Board membership specifying that the Treasurer of the Board is chosen from the elected Board members rather than being a nonvoting member that receives compensation for the services. Repeals Code Section 173.12 related to the salary for the Treasurer. The Omnibus Bill (H.F. 697) does not address this issue.

**Controlled Substances:** The Senate requires the Department of Public Safety to establish a Controlled Substance Collection and Disposal Program for 30 days for the collection of bath salts and salvia divinorum from persons in possession of the substances and retailers. Criminal penalties do not apply for 30 days after enactment. This provision is effective on enactment. The Omnibus Bill (H.F. 697) does not address this issue.

**Department of Natural Resources (DNR) Radio Purchases:** The Senate requires the DNR to purchase radios as required by the federal Homeland Security Department that are compatible with the statewide radio network operated by the Department of Public Safety (DPS). The Senate also requires the DNR to conduct a competitive bid process prior to purchasing the radios. In addition, the Senate requires the DNR to cooperate with the DPS to submit a detailed report to the Legislative Services Agency and the Department of Management on or before January 13, 2012, detailing the cost of the radios needed by the Department, and any changes in the estimated costs for the radio purchase. Specifies that the Section is effective on enactment, or retroactive to June 30, 2011, if the Bill is signed after that date. The Omnibus Bill (H.F. 697) permits the

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DNR to purchase radios but does not specify the compatibility with the DPS, does not require a competitive bid process, and does not require a report.

**School Tuition Organization Increase:** The Senate increases the cap for the School Tuition Organization Tax Credit from \$7.5 million to \$10.0 million beginning with tax year 2012. The Senate specifies that the increase is only applicable if the school aid allowable growth rate and the State categorical allowable growth rate are established at 3.0% for FY 2013. The Omnibus Bill (H.F. 697) increases the current \$7.5 million annual cap to \$8.75 million for tax year 2012 and \$10.0 million for tax year 2013 and beyond.

**Pioneer Cemeteries:** Specifies that a pioneer cemetery is considered a cemetery for purposes of public access, protection, neglect, and removal of remains. The Omnibus Bill (H.F. 697) does not address this.

### The Senate version does not include the following items that the Omnibus Bill (H.F. 697) included:

**Certain Revolving Funds:** The Omnibus Bill (H.F. 697) allows the Department of Public Safety (DPS) and the Department of Inspections and Appeals to increase their billings to the gaming industry to fund salary increases for employees that are funded from the Gaming Enforcement Revolving Fund and the Gaming Regulatory Revolving Fund. The Senate version does not include this language, and as a result, requires the salary increases from these two Revolving Funds to be funded from the amounts appropriated by the General Assembly.

**State Employee Health Insurance:** The Omnibus Bill (H.F. 697) includes intent language that requires the Executive and Judicial Branches to engage State employee organizations in discussions to renegotiate current bargained contracts to achieve cost savings for the State related to health insurance coverage and requires legislators and staff to pay at least an additional \$100 per month for health insurance coverage.

**Statutory Language – State Employee Health Insurance:** The Omnibus Bill (H.F. 697) includes statutory language that requires collective bargaining agreements to include a provision requiring each State employee to contribute at least an additional \$100 per month for State provided health coverage. Requires noncontract employees to pay the same amount as paid by the employees covered by the agreement pertaining to the greatest number of State employees.

**Miscellaneous Provisions - Midwest Passenger Rail Compact:** The Omnibus Bill (H.F. 697) repeals the Code Chapter relating to the enactment of the Midwest Interstate Passenger Rail Compact. The Senate version does not include this repeal. The Senate repeals the Code Chapter relating to the enactment of the Midwest Interstate Passenger Rail Compact. The statute stipulates that withdrawal from the Compact will take effect one year after the effective date of any statute that repeals the enactment of the Compact. The statute also stipulates that the withdrawing state will be liable for any obligations that it may have incurred prior to the effective date of the withdrawal.

**Commercial Property Tax Rollback:** The Omnibus Bill (H.F. 697) provides a forced rollback for commercial, industrial, and railroad properties beginning in FY 2014. The rollback lowers the percent of property value that is subject to property tax by 5.0% per year, with the rollback reaching 75.0% by FY 2018. New construction and significantly remodeled or expanded property would receive the 75.0% rollback benefit immediately. The House provides a State General Fund appropriation to reimburse local governments for a portion of the reduced property tax revenue associated with the forced rollback. The appropriation starts in FY 2014 at \$30.0 million and increases \$30.0 million per year until it reaches \$150.0 million by FY 2018. The local government reimbursement is limited to no more than 75.0% of the tax revenue reduction, calculated from a base year of FY 2013. The reimbursement is calculated on a taxing district basis.

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**Residential and Agricultural Revaluation Growth Limit:** The Omnibus Bill (H.F. 697) reduces the allowed growth in statewide residential and commercial taxable values due to revaluation of existing property. Current law limits the growth to 4.0% per year. The House lowers the growth limit to 2.0% per year.

**School Foundation Level Increase:** The Omnibus Bill (H.F. 697) increases the school foundation level from its current 87.5% level to 90.0%, in 0.5% increments beginning in FY 2014 and ending FY 2018.

**Dual Property Classifications:** The Omnibus Bill (H.F. 697) allows a given property to be assessed partially as residential and partially as another classification, if specified requirements are met.

**Platted Lots:** The Omnibus Bill (H.F. 697) increases the time limit for lots platted for development to be taxed as undeveloped property to 10 years. Current law allows for three- and five-year limits.

**Income Tax Coupling Issues:** The Omnibus Bill (H.F. 697) included four issues related to coupling with federal tax law changes in back tax years. Those changes include teacher expenses, qualified higher education expenses, sales/use tax deductions, and disaster-related loss deductions.

**Grow Iowa Values Fund (GIVF):** The Omnibus Bill (H.F. 697) makes multiple changes to the GIVF.

**Mental Health Allowed Growth for FY 2014:** The Omnibus Bill (H.F. 697) includes the reference to FY 2014 mental health allowed growth expected action by the 2013 General Assembly. The Omnibus Bill (H.F. 697) includes the FY 2013 mental health allowed funding in Division XXXIX. The Senate includes FY 2013 funding in S.F. 542 (Health and Human Services Appropriation Bill).

**Standings - Budget Process:** The Omnibus Bill (H.F. 697) includes the common annual budget process provisions for FY 2014.

**Standings: Sales Tax Revenues – Transfers:** The Omnibus Bill (H.F. 697) establishes the funding level to the Property Tax Equity and Relief (PTER) Fund at a total of \$25.0 million beginning in FY 2012. This is an increase of \$18.3 million for FY 2012. The provision requires Secure an Advanced Vision for Education (SAVE) Fund allocations to school districts to be reduced beginning in FY 2012 with the reduced amount transferred to the PTER Fund. The PTER funds are used to provide targeted property tax relief through the school aid formula. The SAVE funds uses are dictated through each school district's revenue purpose statement and are used for school infrastructure purposes, school district tax relief, or a combination of the two.

**Environmental Protection Commission Duties:** The Omnibus Bill (H.F. 697) specifies that six members of the Environmental Protection Commission represent a quorum and that a majority of the Commissioners must be in attendance to vote on decisions during a meeting. The Bill further specifies the Commission can only act on matters that have been explicitly assigned as directed in the Iowa Code.

**School District Home Rule:** The Omnibus Bill (H.F. 697) grants school districts home rule power and authority. The proposal specifies that school districts cannot increase any tax without express authorization of the General Assembly.

**Implementation of Federal Statute:** The Omnibus Bill (H.F. 697) specifies that State agencies charged with implementation of a federal regulation or policy shall not exceed that specific requirement.

**Employee Classifications:** The Omnibus Bill (H.F. 697) excludes the Information Technology Specialist and Administrative Assistant employee classification series in the Office of Secretary of State from collective bargaining provisions.

**Biofuel Tax Credit:** The House amends a section of S.F. 531 (Biofuel Tax Credit Expansion Act of 2011) and directs that in determining if gallons of biodiesel qualify for the Biodiesel Blended Fuel Tax Credit, the Department of Revenue must take into account reasonable variances due to testing and other limitations.

**TABLE 1**

**State School Aid Funding: Est. FY 2011 and Est. FY 2012**

Note: Estimates Based on the House Omnibus Appropriations Bill and Senate Proposal (June 20, 2011)  
(Dollars in Millions)

	Est. FY 2011	Current Law Est.		House Proposal			Senate Proposal		
		FY 2012 - 0% Allowable Growth	Change from Est. FY 2011	FY 2012 - 0% Allowable Growth	Change from Est. FY 2011	House Proposal vs. Est. Current Law	FY 2012 - 0% Allowable Growth	Change from Est. FY 2011	Senate Proposal Vs. House Proposal
<b>Total Regular School Aid*</b>	\$ 2,292.1	\$ 2,270.3	\$ -21.9	\$ 2,250.3	\$ -41.9	\$ -20.0	\$ 2,250.3	\$ -41.9	\$ 0.0
<b>PTER Funding (Prop. Tax Relief)</b>	\$ 25.4	\$ 6.7		\$ 25.0		\$ 18.3	\$ 6.7	\$ -18.7	\$ -18.3
<b>Total Regular School Aid Funding - State Portion</b>	\$ 2,317.5	\$ 2,277.0	\$ -40.5	\$ 2,275.3	\$ -42.3	\$ -1.7	\$ 2,257.0	\$ -60.5	\$ -18.3
State Aid Shortfall	-156.1	0.0	156.1	0.0	156.1	0.0	0.0	156.1	0.0
State Aid Change for ARRA Funding	-47.9	0.0	47.9	0.0	47.9	0.0	0.0	47.9	0.0
Underground Storage Tank (UST) Funding	-5.1	0.0	5.1	0.0	5.1	0.0	0.0	5.1	0.0
PTER Funding	-25.4	-6.7		-25.0		-18.3	-6.7	18.7	18.7
<b>Total Regular School Aid From General Fund</b>	\$ 2,083.0	\$ 2,270.3	\$ 187.3	\$ 2,250.3	\$ 167.3	\$ -20.0	\$ 2,250.3	\$ 167.3	\$ 0.0
Teacher Salary Supplement	256.0	256.7	0.7	256.7	0.7	0.0	256.7	0.7	0.0
Professional Development Supplement	29.0	29.1	0.1	29.1	0.1	0.0	29.1	0.1	0.0
Early Intervention Supplement	29.8	29.9	0.1	29.9	0.1	0.0	29.9	0.1	0.0
<b>Total State Categorical Supplement</b>	\$ 314.9	\$ 315.7	\$ 0.9	\$ 315.7	\$ 0.9	\$ 0.0	\$ 315.7	\$ 0.9	\$ 0.0
<b>Total School Aid From General Fund</b>	\$ 2,397.9	\$ 2,586.0	\$ 188.2	\$ 2,566.0	\$ 168.2	\$ -20.0	\$ 2,566.0	\$ 168.2	\$ 0.0
<b>Preschool Aid**</b>	\$ 48.3	\$ 70.0	\$ 21.8	\$ 35.1	\$ -13.2	\$ -34.9	\$ 58.4	\$ 10.1	\$ 23.3
<b>Total General Fund Amount for School Programs</b>	\$ 2,446.1	\$ 2,656.1	\$ 209.9	\$ 2,601.1	\$ 155.0	\$ -54.9	\$ 2,624.4	\$ 178.3	\$ 23.3
ARRA Education Stimulus	\$ 47.9	\$ 0.0	\$ -47.9	\$ 0.0	\$ -47.9	\$ 0.0	\$ 0.0	\$ -47.9	\$ 0.0
UST Funding	\$ 5.1	\$ 0.0	\$ -5.1	\$ 0.0	\$ -5.1	\$ 0.0	\$ 0.0	\$ -5.1	\$ 0.0
PTER Funding	\$ 25.4	\$ 6.7	\$ -18.7	\$ 25.0	\$ -0.4	\$ 18.3	\$ 6.7	\$ -18.7	\$ -18.3
State Aid Shortfall	\$ 156.1	\$ 0.0	\$ -156.1	\$ 0.0	\$ -156.1	\$ 0.0	\$ 0.0	\$ -156.1	\$ 0.0
<b>Total School Aid Prior to Adjustments</b>	\$ 2,680.6	\$ 2,662.8	\$ -17.9	\$ 2,626.1	\$ -54.5	\$ -36.7	\$ 2,631.1	\$ -49.5	\$ 5.0
Total Unadjusted Foundation Property Tax	\$ 1,298.9	\$ 1,345.2		\$ 1,345.2			\$ 1,345.2		
Property Tax Adjustment Aid (from GF)	-24.0	-24.0		-24.0			-24.0		
Property Tax Adjustment Aid (from PTER)***	-25.4	-6.7		-25.0			-6.7		
<b>Total Foundation Property Tax</b>	\$ 1,249.5	\$ 1,314.5	\$ 65.0	\$ 1,296.2	\$ 46.7	\$ -18.3	\$ 1,314.5	\$ 65.0	\$ 18.3
<b>Combined District Cost</b>	\$ 3,881.8	\$ 3,907.3	\$ 25.5	\$ 3,887.2	\$ 5.4	\$ -20.1	\$ 3,887.2	\$ 5.4	\$ 0.0

Notes:

\*House proposal includes an additional AEA reduction of \$20.0 million for both FY 2012 and FY 2013. The Senate proposal includes an additional AEA reduction of \$20.0 million for FY 2012. Current law has an AEA reduction of \$7.5 million.

\*\*House proposal reduces the preschool formula weighting from 0.6 to 0.3 beginning in FY 2012. The Senate proposal reduces the preschool formula weighting from 0.6 to 0.5 beginning in FY 2012.

\*\*\*House proposal includes an additional PTER fund adjustment from the Secure an Advanced Vision for Education (SAVE) fund.

ARRA = American Recovery and Reinvestment Act

GF = General Fund

PTER = Property Tax Equity and Relief Fund

FY 2012 and FY 2013 estimates are as of June 20, 2011, and based on a variety of assumptions that are subject to change. For a complete list of assumptions, contact the LSA.

Combined district cost represents the total school foundation funding amount and is not impacted by a reduction in State school aid.

FY 2012 amounts displayed are estimates. The Department of Management will determine final official school aid amounts for FY 2012.

Totals may not sum due to rounding.

20-Jun-11

Programs Used: HouseProposal\_V1.1a\_FY12\_FY17.sas

SenateProposal\_V2.1a\_FY12\_FY17.sas

SCHLAI\_V1.1\_FY12\_FY17.sas

**TABLE 2**

**Legislative Services Agency: School Aid Estimates**

<b>State School Aid Funding: Est. FY 2013</b>						
Note: Estimates Based on the House Omnibus Appropriations Bill and Senate Proposal (June 20, 2011)						
(Dollars in Millions)						
	House Proposal		Senate Proposal		FY 2013 Comparison	
	FY 2013 - 2% Allowable Growth	Change from House Proposal for Est. FY 2012	FY 2013 - 3% Allowable Growth	Change from Senate Proposal for Est. FY 2012	Senate Prop. Vs. House Prop.	
<b>Total Regular School Aid*</b>	\$ 2,317.3	\$ 67.0	\$ 2,366.7	\$ 116.4	\$ 49.5	
<b>PTER Funding (Prop. Tax Relief)</b>	\$ 25.0		\$ 6.7			
<b>Total Regular School Aid Funding - State Portion</b>	\$ 2,342.3	\$ 67.0	\$ 2,373.4	\$ 116.4	\$ 31.2	
Adjustment for PTER Funding	-25.0		-6.7			
<b>Total Regular School Aid From General Fund</b>	\$ 2,317.3	\$ 67.0	\$ 2,366.7	\$ 116.4	\$ 49.5	
Teacher Salary Supplement	261.4	4.7	263.7	7.0	2.3	
Professional Development Supplement	29.7	0.5	29.9	0.8	0.3	
Early Intervention Supplement	30.5	0.6	30.7	0.8	0.3	
<b>Total State Categorical Supplement</b>	\$ 321.5	\$ 5.8	\$ 324.3	\$ 8.6	\$ 2.8	
<b>Total School Aid From General Fund</b>	\$ 2,638.8	\$ 72.8	\$ 2,691.0	\$ 125.0	\$ 52.2	
<b>Preschool Aid**</b>	\$ 38.7	\$ 3.6	\$ 65.1	\$ 6.7	\$ 26.4	
<b>Total General Fund Amount for School Programs</b>	\$ 2,677.5	\$ 76.4	\$ 2,756.1	\$ 131.7	\$ 78.6	
PTER Funding	\$ 25.0	\$ 0.0	\$ 6.7	\$ 0.0	\$ -18.3	
<b>Total School Aid (GF and PTER)</b>	\$ 2,702.5	\$ 76.4	\$ 2,762.8	\$ 131.7	\$ 60.3	
Total Unadjusted Foundation Property Tax	\$ 1,352.2		\$ 1,354.3			
Property Tax Adjustment Aid (from GF)	-24.0		-24.0			
Property Tax Adjustment Aid (from PTER)***	-25.0		-6.7			
<b>Total Foundation Property Tax</b>	\$ 1,303.2	\$ 6.9	\$ 1,323.6	\$ 9.1	\$ 20.5	
<b>Combined District Cost</b>	\$ 3,967.0	\$ 79.7	\$ 4,021.3	\$ 134.1	\$ 54.4	

Notes:

\*House proposal includes an additional AEA reduction of \$20.0 million for both FY 2012 and FY 2013. The Senate proposal includes an additional AEA reduction of \$20.0 million for FY 2012 only.

\*\*House proposal reduces the preschool formula weighting from 0.6 to 0.3 beginning in FY 2012. The Senate proposal reduces the preschool formula weighting from 0.6 to 0.5 beginning in FY 2012.

\*\*\*House proposal includes an additional PTER fund adjustment from the Secure an Advanced Vision for Education (SAVE) fund.

GF = General Fund

PTER = Property Tax Equity and Relief Fund

FY 2012 and FY 2013 estimates are as of June 20, 2011, and based on a variety of assumptions that are subject to change. For a complete list of assumptions, contact the LSA.

Combined district cost represents the total school foundation funding amount and is not impacted by a reduction in State school aid.

Totals may not sum due to rounding.

HouseProposal\_V1.1a\_FY12\_FY17.sas

SenateProposal\_V2.1a\_FY12\_FY17.sas

# Unassigned Standings

## General Fund

	Current Law FY 2012 (1)	House - HF 697 FY 2012 (2)	Total House FY 2012 (3)	Senate - SF 538 FY 2012 (4)	Total Senate FY 2012 (5)	Senate vs House FY 12 (6)
<b><u>Agriculture and Land Stewardship</u></b>						
Farmers with Disabilities	\$ 0	\$ 97,000	\$ 97,000	\$ 97,000	\$ 97,000	\$ 0
<b>Total Agriculture and Land Stewardship</b>	<b>\$ 0</b>	<b>\$ 97,000</b>	<b>\$ 97,000</b>	<b>\$ 97,000</b>	<b>\$ 97,000</b>	<b>\$ 0</b>
<b><u>Cultural Affairs, Dept. of</u></b>						
County Endowment Funding - Reduction	\$ 520,000	\$ -103,298	\$ 416,702	\$ -103,298	\$ 416,702	\$ 0
<b>Total Cultural Affairs, Dept. of</b>	<b>\$ 520,000</b>	<b>\$ -103,298</b>	<b>\$ 416,702</b>	<b>\$ -103,298</b>	<b>\$ 416,702</b>	<b>\$ 0</b>
<b><u>Economic Development, Dept. of</u></b>						
Tourism Marketing - Reduction	\$ 1,104,000	\$ -293,694	\$ 810,306	\$ -293,694	\$ 810,306	\$ 0
<b>Total Economic Development, Dept. of</b>	<b>\$ 1,104,000</b>	<b>\$ -293,694</b>	<b>\$ 810,306</b>	<b>\$ -293,694</b>	<b>\$ 810,306</b>	<b>\$ 0</b>
<b><u>Education, Dept. of</u></b>						
Child Development - Reduction	\$ 12,606,196	\$ -4,101,938	\$ 8,504,258	\$ -1,877,305	\$ 10,728,891	\$ 2,224,633
Instructional Support	14,800,000	-14,800,000	0	-14,800,000	0	0
State Foundation School Aid	0	2,600,855,000	2,600,855,000	2,624,200,000	2,624,200,000	23,345,000
Nonpublic School Trans - Reduction	9,660,931	-2,600,000	7,060,931	-2,600,000	7,060,931	0
Sac and Fox Education	0	100,000	100,000	100,000	100,000	0
<b>Total Education, Dept. of</b>	<b>\$ 37,067,127</b>	<b>\$ 2,579,453,062</b>	<b>\$ 2,616,520,189</b>	<b>\$ 2,605,022,695</b>	<b>\$ 2,642,089,822</b>	<b>\$ 25,569,633</b>
<b><u>Executive Council</u></b>						
(Adjust) Performance Of Duty	\$ 38,712,105	\$ -712,105	\$ 38,000,000	\$ -38,712,105	\$ 0	\$ -38,000,000
<b>Total Executive Council</b>	<b>\$ 38,712,105</b>	<b>\$ -712,105</b>	<b>\$ 38,000,000</b>	<b>\$ -38,712,105</b>	<b>\$ 0</b>	<b>\$ -38,000,000</b>
<b><u>Public Health, Dept. of</u></b>						
Congenital Disorders Registry	\$ 232,500	\$ -61,379	\$ 171,121	\$ -61,379	\$ 171,121	\$ 0
Vision Screening	0	0	0	100,000	100,000	100,000
<b>Total Public Health, Dept. of</b>	<b>\$ 232,500</b>	<b>\$ -61,379</b>	<b>\$ 171,121</b>	<b>\$ 38,621</b>	<b>\$ 271,121</b>	<b>\$ 100,000</b>
<b><u>Human Services, Dept. of</u></b>						
Child Abuse Prevention - Reduction	\$ 232,500	\$ -14,728	\$ 217,772	\$ -14,728	\$ 217,772	\$ 0
<b>Total Human Services, Dept. of</b>	<b>\$ 232,500</b>	<b>\$ -14,728</b>	<b>\$ 217,772</b>	<b>\$ -14,728</b>	<b>\$ 217,772</b>	<b>\$ 0</b>
<b><u>Revenue, Dept. of</u></b>						
(Adjust) Ag Land Tax Credit - GF	\$ 39,100,000	\$ -6,704,869	\$ 32,395,131	\$ -6,704,869	\$ 32,395,131	\$ 0
(Adjust) Homestead Tax Credit Aid - GF	135,000,000	-48,811,613	86,188,387	-48,811,613	86,188,387	0
Tobacco Reporting - Reduction	25,000	-6,584	18,416	-6,584	18,416	0
Commercial Property Tax Credit	0	0	0	0	0	0
<b>Total Revenue, Dept. of</b>	<b>\$ 174,125,000</b>	<b>\$ -55,523,066</b>	<b>\$ 118,601,934</b>	<b>\$ -55,523,066</b>	<b>\$ 118,601,934</b>	<b>\$ 0</b>
<b><u>Treasurer of State</u></b>						
(Adjust) Health Care Trust Fund Transfer	\$ 106,016,400	\$ -106,016,400	\$ 0	\$ -106,016,400	\$ 0	\$ 0
<b>Total Treasurer of State</b>	<b>\$ 106,016,400</b>	<b>\$ -106,016,400</b>	<b>\$ 0</b>	<b>\$ -106,016,400</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total Unassigned Standings</b>	<b>\$ 358,009,632</b>	<b>\$ 2,416,825,392</b>	<b>\$ 2,774,835,024</b>	<b>\$ 2,404,495,025</b>	<b>\$ 2,762,504,657</b>	<b>\$ -12,330,367</b>

# Unassigned Standings

## General Fund

	Current Law FY 2013 (7)	House - HF 697 FY 2013 (8)	Total House FY 2013 (9)	Senate - SF 538 FY 2013 (11)	Total Senate FY 2013 (12)	Senate vs House FY 13 (13)
<b><u>Agriculture and Land Stewardship</u></b>						
Farmers with Disabilities	\$ 0	\$ 82,450	\$ 82,450	\$ 0	\$ 0	\$ -82,450
<b>Total Agriculture and Land Stewardship</b>	<b>\$ 0</b>	<b>\$ 82,450</b>	<b>\$ 82,450</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ -82,450</b>
<b><u>Cultural Affairs, Dept. of</u></b>						
County Endowment Funding - Reduction	\$ 520,000	\$ -103,298	\$ 416,702	\$ -311,649	\$ 208,351	\$ -208,351
<b>Total Cultural Affairs, Dept. of</b>	<b>\$ 520,000</b>	<b>\$ -103,298</b>	<b>\$ 416,702</b>	<b>\$ -311,649</b>	<b>\$ 208,351</b>	<b>\$ -208,351</b>
<b><u>Economic Development, Dept. of</u></b>						
Tourism Marketing - Reduction	\$ 1,104,000	\$ -293,694	\$ 810,306	\$ -698,847	\$ 405,153	\$ -405,153
<b>Total Economic Development, Dept. of</b>	<b>\$ 1,104,000</b>	<b>\$ -293,694</b>	<b>\$ 810,306</b>	<b>\$ -698,847</b>	<b>\$ 405,153</b>	<b>\$ -405,153</b>
<b><u>Education, Dept. of</u></b>						
Child Development - Reduction	\$ 12,606,196	\$ -1,801,938	\$ 10,804,258	\$ -1,877,305	\$ 10,728,891	\$ -75,367
Instructional Support	14,800,000	-14,800,000	0	-14,800,000	0	0
State Foundation School Aid	0	2,677,500,000	2,677,500,000	2,756,100,000	2,756,100,000	78,600,000
Nonpublic School Trans - Reduction	9,660,931	-2,600,000	7,060,931	-6,130,466	3,530,465	-3,530,466
Sac and Fox Education	0	85,000	85,000	100,000	100,000	15,000
<b>Total Education, Dept. of</b>	<b>\$ 37,067,127</b>	<b>\$ 2,658,383,062</b>	<b>\$ 2,695,450,189</b>	<b>\$ 2,733,392,229</b>	<b>\$ 2,770,459,356</b>	<b>\$ 75,009,167</b>
<b><u>Executive Council</u></b>						
(Adjust) Performance Of Duty	\$ 39,128,857	\$ -1,128,857	\$ 38,000,000	\$ -39,128,857	\$ 0	\$ -38,000,000
<b>Total Executive Council</b>	<b>\$ 39,128,857</b>	<b>\$ -1,128,857</b>	<b>\$ 38,000,000</b>	<b>\$ -39,128,857</b>	<b>\$ 0</b>	<b>\$ -38,000,000</b>
<b><u>Public Health, Dept. of</u></b>						
Congenital Disorders Registry	\$ 232,500	\$ -61,379	\$ 171,121	\$ -146,940	\$ 85,560	\$ -85,561
Vision Screening	0	0	0	0	0	0
<b>Total Public Health, Dept. of</b>	<b>\$ 232,500</b>	<b>\$ -61,379</b>	<b>\$ 171,121</b>	<b>\$ -146,940</b>	<b>\$ 85,560</b>	<b>\$ -85,561</b>
<b><u>Human Services, Dept. of</u></b>						
Child Abuse Prevention - Reduction	\$ 232,500	\$ -14,728	\$ 217,772	\$ -123,614	\$ 108,886	\$ -108,886
<b>Total Human Services, Dept. of</b>	<b>\$ 232,500</b>	<b>\$ -14,728</b>	<b>\$ 217,772</b>	<b>\$ -123,614</b>	<b>\$ 108,886</b>	<b>\$ -108,886</b>
<b><u>Revenue, Dept. of</u></b>						
(Adjust) Ag Land Tax Credit - GF	\$ 39,100,000	\$ 0	\$ 39,100,000	\$ -6,704,869	\$ 32,395,131	\$ -6,704,869
(Adjust) Homestead Tax Credit Aid - GF	135,000,000	0	135,000,000	-48,811,613	86,188,387	-48,811,613
Tobacco Reporting - Reduction	25,000	-6,584	18,416	-15,792	9,208	-9,208
Commercial Property Tax Credit	0	0	0	50,000,000	50,000,000	50,000,000
<b>Total Revenue, Dept. of</b>	<b>\$ 174,125,000</b>	<b>\$ -6,584</b>	<b>\$ 174,118,416</b>	<b>\$ -5,532,274</b>	<b>\$ 168,592,726</b>	<b>\$ -5,525,690</b>
<b><u>Treasurer of State</u></b>						
(Adjust) Health Care Trust Fund Transfer	\$ 106,016,400	\$ -106,016,400	\$ 0	\$ -106,016,400	\$ 0	\$ 0
<b>Total Treasurer of State</b>	<b>\$ 106,016,400</b>	<b>\$ -106,016,400</b>	<b>\$ 0</b>	<b>\$ -106,016,400</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total Unassigned Standings</b>	<b>\$ 358,426,384</b>	<b>\$ 2,550,840,572</b>	<b>\$ 2,909,266,956</b>	<b>\$ 2,581,433,648</b>	<b>\$ 2,939,860,032</b>	<b>\$ 30,593,076</b>