

Side-By Side Comparison of Key Education and Tax Issues

Updated: May 24, 2017



TOPIC	GOVERNOR	HOUSE (HF 890, HF 4)	SENATE (SF 718, SF 2255)	HF 1 HF 2 SPECIAL SESSION Taxes and Education
Ed Target	\$708 million	\$270 million	\$300 million	\$483 million
Tax Target	\$300 million	\$1.365 billion	\$900 million	\$650 million
Formula	2&2, \$371 million \$121/pupil increase each year	1.25&1.25, compensatory delinked, \$212 million \$76/pupil increase each year	1.5&1.5, \$274 million \$91/pupil increase each year	2.0 & 2.0 \$274 million \$121 in FY '18 and \$124 in FY '19 \$6,188 in FY '18, \$6,312 in FY '19
Early Learning	Expand Voluntary Pre-K (VPK) \$175 million 200 rural school districts receive new funding or an increase in funding. \$111 m	Eliminate VPK (Reduction of \$41 million) Increase scholarships \$24 million Eliminate Pathway II so all scholarships go out Pathway I School Readiness 'hold harmless' for VPK repeal; \$40 M FY 18-19 only	\$2 million additional funding for scholarships \$2.185 million in ECFE increase by linking it to the formula increase Call for Early Childhood Study	VPK remains for districts currently in the program Increase Pathway I scholarships \$10M (annually) Freeze Pathway II scholarships -Postpones by 4 years (until 2020) requirement for 3 or 4 star rating to receive Pathway I scholarships New School Readiness Plus (SR+) program -\$50M in '18-19 biennium only for four-year olds -Districts can apply whether or not have VPK -Sliding fees may be charged -Funding cannot supplant current local, state or federal preschool funding at site with SR+
TRA Fix	\$68 million	\$0	\$10 million FY 18 only	\$0
Teacher Licensing		New board and Tiered licensure	New board and Tiered licensure	New Professional Educator Licensing Board and New tiered license program established
Pupil Transportation	\$0	\$5 M in each of FY 18 & 19 for districts with higher costs	\$0	\$2M in '18 and \$2M in '19 and on-going for districts with 18% or more deficit in transportation
Special Ed	\$40 million	\$0	\$0	\$0
Operating Referendum Equalization	\$0	\$0	\$28.8 million Tier 1 increased to \$950,000. Tier 2 increased to \$611,000. No change to Tier	\$0
Compensatory	Linked to Formula	Delinked, Increase Compensatory Pilot for selected districts, Compensatory for districts based on FRE and 95% test participation	Compensatory Pilots for selected districts made permanent	Compensatory Pilots for selected districts made permanent
ACT/SAT	No change, paid by state	Only FRE students reimbursed (Reduction of \$3 million)	Only FRE students reimbursed (Reduction of \$3 million)	-Only FRE students reimbursed -Eliminates requirement to offer test on a school day (\$3M reduction) -School districts can require Non-FRE students to pay for test, but waive requirement if unable to pay

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LIFO		-Negotiate ULA language -Strikes State Plan		-Requires districts to negotiate a ULA plan -Strikes statutory plan for placing teachers on ULA
CE Teacher Credentialing	No provision	Language to expand ONLINE-18 statewide, but no funding \$0, Tax Credit in tax bill for teachers pursuing masters in content area	No provision, tax credit for teachers who obtain a master's degree in a core content area	-Expand ONLINE-18 statewide, \$375,000 annually for four years - Credit in tax bill for teachers pursuing masters in core content areas
Miscellaneous				-Up to five E-Learning days -Personal Learning Plans 'strongly encouraged' for students not proficient in 3 rd grade reading -Rural CTE consortia (\$1.5 m annually) -\$4.9M one-time mental health grants: Intermediates & SW/WC -Innovation Zone Research Pilots
Teacher Loan Forgiveness	\$0	\$4 million	\$0	\$500K one-time increase in '18
College loan credits-non-refundable		College loan payments over 10% of adjusted gross income and other calculations \$100 million	College loan payments over 10% of adjusted gross income and other calculations \$100 million	College loan payments over 10% of adjusted gross income and other calculations max \$500 (\$27M annually)
Ag2School	40% credit \$34.9 million	50% credit \$44.4 million	40% credit \$34.9 million	40% credit \$35.5M in FY '19
Debt Service Equalization	Tier II threshold lowered from 26.2 to 22.3% for Pay '18 and 19% for Pay '19 and later \$20 million	\$0	Both Tier I threshold reduced from 15.6% to 10% and Tier I equalization factor increased for one year only \$14.2 m for Pay '18	NO changes
Education Tax Credits-non-refundable		\$31.3 million to begins new tax credit for donations to 501c3s for scholarships (vouchers) to private schools, \$40 million to increase tax credits for education expenses	\$34.8 million to begins new tax credit for donations to 501c3s for scholarships (vouchers) to private schools	-NO new tax credit for donations to 501c3s for scholarships (vouchers) to private schools -NO expansion of existing tax credit to tuition
Elections	No change	Restricts bond elections to 2 nd Tuesday in Nov., ballot and notice must state LOR and board authorized Op Ref amounts. Restricts special elections to five dates: Feb., April, May, Aug., Nov.	-Restricts school districts to five dates: Feb., April, May, Aug. and Nov. -Requires counties to conduct school district special elections and pay for "all expenses necessary." -Repeals school district ability to consolidate polling places.	NO changes in ballot language Restricts special elections to five dates: Feb., April, May, Aug., Nov. Districts can consolidate polling places if done by 12/31 for following year, effective 1/1/18
Broadband	\$60 million for FY '18-19	\$7 million in FY '18 only (Jobs Omnibus, HF 2209)	\$20 million in FY '18-19 (Jobs Omnibus, SF 1937)	\$20M FY '18 only in Jobs ill