

HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	SF 2201	House Committee:
Committee:	Appropriations	House Floor:
Floor Manager	Rep. Gehlbach	Senate Committee:
Date:	February 18, 2026	Senate Floor:
Staff:	Kristin Rozeboom	Governor:

Supplemental State Aid

Analysis reflects the amendment.

Sets Supplemental State Aid (SSA) at 2% for FY27 for both the Regular Program and the Categorical Supplements. It also extends the Property Tax Relief Payment (PTRP) an additional year which has the state pick up any property tax growth in the Additional Levy portion of the school funding formula.

The state pays the property tax cost for the property taxpayers for schools on the budget guarantee.

The State Cost Per Pupil (SCPP) amount on which the school aid formula is based increases to \$8,148.

Transportation Equity is estimated to be \$33.3M which is an increase of .7M, but caps the amount schools can receive at \$1M.

Adds a second count date on January 15th. The adjusted enrollment is the average of the 2 counts.

The Dept. has 30 days after enrollment certification to send the info to DOM. If the Dept. discovers any discrepancy, the district has 5 business days to resolve or the Dept. of Ed. will make the final enrollment determination.

Changes monthly payments to quarterly payments.

Here's a breakdown of the funding result of the bill:

	FY 26 Est. Totals	FY26 Estimated Increases – 2.25%
School Aid	\$3,981.7 M	\$98.9 M
# of Districts on BA	199	+42
Property Tax Pickup (PTRP)	\$146 M	\$8.7 M

Fiscal Note: Numbers above reflect estimates provided by LSA.

Section-by-Section Analysis

Section 1 Section 257.8(1) & (2) State Percent of Growth and Property Tax Replacement Payments

Sets the state percent of growth for the budget year beginning July 1, 2026 at 2% and the categorical state percent of growth for the budget year beginning July 1, 2026 at 2%.

Section 2. Section 257.16B(1) & (2)

For each budget year beginning on or after July 1, 2026 the amount of each school district's property tax replacement payment shall be the product of the school district's weighted enrollment for the budget year multiplied by the per pupil property tax replacement amount for the budget year calculated below.

The per pupil property tax replacement amount for the budget years beginning on or after July 1, 2026 is equal to the sum of \$153 plus the difference between the following:

- The regular program state cost per pupil for the budget year beginning July 1, 2025 multiplied by 100% less the regular program foundation base per pupil percentage for the applicable budget year under this paragraph.
- The regular program state cost per pupil for the budget year beginning July 1, 2021 multiplied by 100% less the regular program foundation base per pupil percentage for the applicable budget year under this paragraph.

Section 3. Implementation

The requirement to establish SSA within 30 days does not apply to this division.

Section 4. Effective Date

Takes effect upon enactment.

Division II. Transportation Equity Aid Funding

Section 5. Section 257.16C(2)(b)

For budget years beginning on or after July 1, 2026, transportation equity paid to a district shall not exceed \$1M.

Section 6. Effective Date

Takes effect upon enactment.

Division III. School District Budget Adjustment—FY 2026-2027

Section 7. School District Budget Adjustment—FY 2026-2027

For school budget year beginning July 1, 2026, DOM shall add the amount of the district's budget adjustment to the combined foundation base for the budget year.

For the school budget year beginning July 1, 2026, a school district's budget adjustment shall be funded by state foundation aid resulting from the calculation under the above subsection and shall not be funded through school district property taxes.

Section 8. Effective Date

Takes effect upon enactment.

Division IV. Education Support Personnel Salary Payment

Section 9. Education Support Personnel Salary Supplement—FY 2026-2027

There is appropriated from the GA to the Dept. of Ed for the fiscal year beginning July 1, 2026, \$7 million to supplement education support personnel compensation. Moneys appropriated are miscellaneous income.

In order to receive the funding supplement, a district shall report to the Dept. the number of ESP employed by the district. Each district's funding supplement amount shall be equal to \$7M multiplied by the quotient of the district's budget enrollment divided by the statewide total budget enrollment.

"Education support personnel" means regular and part-time employees of a school district who are not salaried.

The payments shall be paid by the Dept. of Ed. at the same time and in the same manner as foundation aid.

Division V School District Enrollment and Budgeting

Section 10. Section 256.12(2)(c)

Changes monthly payments to quarterly payments.

Section 11. Section 257.6(1)(b) & (c)

A school district shall certify its actual enrollment to the Dept. of Ed. by October 15th of each year, and the Dept. shall promptly forward the information to DOM, but not later than 30 days after certification.

DOM shall adjust the enrollment of the district for the audit year and shall further adjust the budget of the second year succeeding the audit year for the property tax and state aid portions of the reported differences in enrollments for the fiscal year two years prior to the budget year. (This is written confusing but means districts have one school fiscal year to utilize an audit adjustment.)

Section 12. Section 257.6(2)

Amends basic enrollment to be the average of a district's actual enrollment for the base year, determined on the date specified for the first count and the district's adjusted enrollment for the base year determined on the date specified for the second count.

If the Dept. of Ed. discovers any discrepancies or disputes the basic enrollment count certified in either count date, they shall notify the school district and the district has 5 business days from the date of notification to voluntarily resolve the dispute or discrepancy. Failure by the district to timely resolve the dispute or discrepancy shall result in the Dept. of Ed. making a final determination of such enrollment counts for the district.

Section 13. Section 257.6 New Subsection—Adjusted enrollment

Adjusted enrollment is determined annually on January 15th, or the 3rd Monday in January if it falls on a Saturday or Sunday, and includes the same categories of pupils used to determine actual enrollment.

A school district shall certify its adjusted enrollment to the Dept. of Ed. by January 30th of each year, and the Dept. shall promptly forward the info to DOM, but not later than 21 days after certification.

DOM shall adjust the basic enrollment for the audit year based upon reports filed and shall further adjust the budget of the second year succeeding the audit year for the property tax and state aid portions of the reported differences in such enrollments for the fiscal year two years prior to the budget year.

Section 14. Section 257.16(2)

Changes monthly payments to quarterly payments beginning on July 15 and ending on April 15, taking into account the timing of enactment of legislation affecting school district budgets.

Section 15. Section 257.16B(3)

Changes payments to quarterly.

Section 16. Section 257.16C(5)(b)

Changes payments to quarterly.

Section 17. Section 257.35(1)(a)(3)

Makes conforming changes.

Section 18. Section 257.35(1)(a) New Subparagraph

For the fiscal year beginning July 1, 2027 and each fiscal year thereafter, DOM shall deduct the following from the state aid due to each district and shall pay the amounts to the respective AEA on a quarterly basis from July 15 to April 15 during each school year:

- AEA TSS district cost.
- The amount due to the AEA as the result of supplementary weighting for shared operational functions.

Section 19. Section 257.35 New Subsection

Makes conforming changes.

Section 20. Section 257.35 New Subsection

Changes payments to quarterly.

Section 21. Section 282.31(1)(a)

Changes payments to quarterly.

Section 22. Section 282.31(1)(b)(2)

Changes payments to quarterly.

Section 23. Section 282.31(3)

Changes payments to quarterly.

Section 24. Section 282.33(1)

Changes payments to quarterly beginning July 15th and ending April 15th.

Section 25. Section 282.35(3)(d)

Changes payments to quarterly.

Section 26 Applicability

Applies to enrollment determinations occurring on or after July 1, 2026 used for school budget years beginning on or after July 1, 2027:

- The Dept. of Ed. having 30 days to give enrollment to DOM.
- The average enrollment between the 2 counts.
- The adjusted enrollment.

Amendment Analysis

Amendment H-8010 by Matson

- Sets SSA at 5%
- Adds \$5 to the State Cost Per Pupil
- State picks up the budget guarantee amount.
- \$14M for Education Support Personnel
- Takes the higher enrollment of the 2 count dates.

