

Iowa makes massive mid-year budget cuts targeting public education

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Iowa Governor Terry Branstad signed a budgetary adjustments bill February 1 that would entail nearly \$118 million in mid-year cuts to offset a budget shortfall due to lower than expected tax revenue and a declining agricultural economy. The bulk of the cuts dramatically affect public education, higher education and other state agencies.

The Republican governor's cuts will come out of the budget for the current fiscal year, 2016-2017, which began in July of 2016, providing for a total of \$7.2 billion in spending. Out of the \$117.8 million in cuts, \$88 million will come out of funding for various state agencies. Over \$25 million will be taken out of special funds for various programs around the state, such as arts-related programs.

With regard to higher education, both Iowa public universities and community colleges will face significant cuts. While Branstad had originally proposed over \$25 million in cuts to education in January, the bill he finally signed will include \$18 million in cuts to the state university system. This includes \$8 million each from the University of Iowa and Iowa State University, as well as \$2 million in cuts for the University of Northern Iowa.

Some of the more significant cuts also include \$3 million from community colleges, \$4.5 million from the Iowa Department of Education, \$3 million from the court system, \$5.5 million from prisons and \$11.5 million from operations of the executive branch, much of that from higher education as well.

The cuts in state funding come at the expense of financial aid packages given to working class students who need assistance to attend universities, not only in future aid packages, but in aid that has already been offered to students. In addition to gutting financial aid, the cuts will have the effect of reducing the base

funding given to schools such as University of Iowa and Iowa State University in the following fiscal years.

In last year's budget, while the universities requested a \$4.5 million increase in funding, they were only offered \$1.3 million. The tightening of funding for education, supported largely by both parties, prompted the Board of Regents to increase tuition for the first time in three years.

The mid-year budget cuts push more costs onto students and working class families. While tuition has increased, and student aid continues to decline, higher education becomes increasingly unobtainable. Significant numbers of young people in the Iowa public university system now incur major student loan debts to make up for the rising costs of public education, or are forced out of school entirely.

Community colleges across Iowa are also going to be significantly affected by the spending cuts. Branstad had originally proposed cuts amounting to over \$8 million to community colleges, but signed into law \$3 million in funding cuts which affect over 15 community colleges across the state. Over the course of the last decade, funding for community colleges has only increased by 1.7 percent.

As a result of the mid-year cuts, Iowa Western Community College (IWCC) was forced to slash 22 jobs with a \$185,000 decrease in funding. Instead of raising tuition, IWCC president Dan Kinney said he would eliminate 10 faculty members and an additional dozen staff by July 2017.

Facing bleak prospects for higher education, many students have opted not to even pursue an associate's degree, with many community colleges in Iowa facing declining enrollment. Community colleges have historically offered many working class youth and non-traditional students an opportunity at education and

new skills.

Iowa's public K-12 schools will also be affected. While Branstad has claimed that his budget cuts will not affect public schools, this is little more than a sham. He proposed a 1.1 percent increase in funding to the public school system, while school districts have maintained that they need at least a 4 percent increase to operate. In other words, Branstad's "increase" amounts to cuts for K-12 schools as well.

Notably, the Democrats and teachers unions have largely remained in agreement with the bipartisan austerity framework instituted following the economic crisis of 2008. Tammy Wawro, president of the Iowa State Education Association, has called for a 2 to 3.5 percent increase in funding, well below the meager increases that school administrators are asking for.

Instead, many school districts have to operate with hundreds of thousands less in funding, forcing eventual cuts to classrooms and layoffs of teachers. The decrease of funding will entail cuts to purchases of textbooks, educational programs, fewer opportunities for students and further attacks on the working conditions of teachers.

While the mid-year budgetary votes fell along party lines, with most Republicans voting for the bill and Democrats in the House and Senate voting against it, Democrats have largely paved the way for Republicans to institute such measures. Over the course of the last eight years, both Democrats and Republicans have instituted regressive tax measures, including providing tax cuts to the wealthiest of corporations in the state.

In 2013, Democrats backed Branstad's dramatic tax-cutting measures which cost the state over \$400 million in tax revenue. An additional \$300 million in tax cuts has affected this year's budget. The previous governor, Democrat Chet Culver, backed millions in tax cuts as well. Culver also implemented massive budget cuts that entailed layoffs and cuts to state agencies.

Such bipartisan policies have largely benefited the wealthiest layers of Iowa's population at the expense of workers and poor farmers and agricultural laborers. The impact of the global economic crisis, including the decline in the farm-labor economy in the region, has caused layoffs in the industrial sector. Most notably, farm-industrial giant John Deere laid off thousands last year with the complicity of the United Auto Workers union.

At the same time, poverty is increasing across the state of Iowa. Median incomes in urban areas are far lower than in many states with similar costs of living. According to the National Center for Children in Poverty, over 115,000 Iowa children live in families experiencing poverty, up more than 40 percent since 2000.

Last week, the Iowa House, led by Republicans, also approved a bill blocking Planned Parenthood funding. The bill would entail over \$2.5 million in cuts, which will predominantly affect reproductive health for low-income women and working class families. Branstad is expected to sign the bill, which has sparked strong opposition.

Branstad signed another bill last Friday that will curtail collective bargaining rights of public sector workers, the ability of unions to collect dues, as well as caps on wages in arbitration. Iowa teachers and state workers demonstrated in the Des Moines state capitol building to express their outrage to the reactionary measures being proposed, much as was the case in Wisconsin in 2011.

While Democrats and unions have voiced their concerns about the Republican-sponsored bill, neither is concerned about advancing the living standards and conditions of workers. The unions and the Democrats are largely concerned with maintaining their institutional privileges and the bureaucratic stranglehold over the working class. Notably, most of the unions have been scrambling to push concessionary contracts in the wake of the collective bargaining bill.



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