



AESA State Examiner

The State Examiner: October 2025

A monthly, national look at State-by-State legislative issues, trends, and tips, empowering AESA members as education advocates

The State Examiner is a monthly report curated by the Association of Educational Service Agencies (AESA). It provides legislative monitoring, news articles, and related content gathered from the fifty states. The purpose of the monthly report is to ensure AESA members are aware of the latest state-level education policy, funding issues and trends, and state-level news that are impacting educational service agencies (ESAs), their client schools and districts. Each report also includes advocacy tips to activate and empower our members to be informed, effective education advocates.

STATE LEGISLATIVE ISSUE MONITORING

In each edition of the *State Examiner*, AESA monitors state-level legislation and legislative trends impacting educational service agencies and their client schools and districts. This month's report for October 2025 examines the rising tide of state **property tax reforms** and implications for K-12 education.

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Rising Property Taxes Trigger Nationwide Reform Push: What ESA Leaders Need to Know

Across America, statehouses are experiencing an unprecedented wave of property tax reform legislation as escalating home valuations collide with political pressure for taxpayer relief. What began as isolated complaints about rising assessment values has evolved into a coordinated, multi-state movement that threatens to fundamentally reshape how local governments—including school districts and Educational Service Agencies (ESAs)—fund critical services.

Between 2021 and 2023, median property taxes nationwide rose by 10.4 percent, adding roughly \$247 per month to homeowner expenses. States experiencing the sharpest increases include Wyoming (37.31 percent over five years), Kentucky (44.58 percent), and Ohio (46.23 percent). This dramatic appreciation in home values, combined with inflation-adjusted increases in tax rates, places mounting pressure on families, seniors, the disabled and working-class homeowners alike.

Unlike previous property tax controversies that remained largely regional, today's reform movement spans red and blue states, urban and rural communities, and encompasses proposals ranging from incremental relief measures to complete elimination of the property tax system. Add in the instability of federal funding and the implications for K-12 schools and school districts is anxiety-inducing. For ESA executives and education advocates, these developments carry profound implications for organizational sustainability and the capacity of client school districts to deliver essential educational services.

The National Landscape

Property taxes represent the backbone of local government finance, generating approximately 70 percent of all local tax revenue nationally according to some sources and comprising 20.1 percent of total state-local own-source revenue. The National Conference of State Legislatures reports that legislators in at least 23 states introduced bills in 2025 to cut or limit property taxes, while the National Association of State Budget Officers notes that governors nationwide have recommended "a wide range of tax policy changes aimed both at providing tax relief and generating additional revenue."

Recent surveys and ballot initiatives confirm widespread public support for change. Voters in 12 states confronted property tax measures during the 2024 election cycle, with seven states specifically addressing residential property tax issues. More are slated for November 2025.

State-by-State Legislative Activity

To follow are representative examples of the policy debate in a handful of states in the past two years.

Enacted Legislation (2024-2025)

- **TEXAS:** The Lone Star State enacted multiple property tax relief measures that will appear before voters in November 2025. Senate Bill 4 would raise the homestead exemption for school district taxes from \$100,000 to \$140,000 of assessed market value. Senate Bill 23 would increase the older adult homestead exemption from \$110,000 to \$160,000, potentially delivering combined annual savings exceeding \$938 for homeowners age 65 and older. Additionally, the legislature approved business personal property exemptions for equipment valued below \$125,000 and imposed stricter limits on revenue growth for cities and counties, lowering the voter-approval threshold from 3.5 percent to 1 percent annually.
- **WYOMING:** Lawmakers passed a sweeping 25 percent property tax cut for homes valued up to \$1 million, enacted without replacement revenue mechanisms. The legislation also created a long-term homeowners exemption providing 50 percent assessed value reductions for residents age 65 and older who have paid Wyoming property taxes for 25-plus years. Senate File 69 established an additional 25 percent exemption on the first \$1 million in primary residence value, requiring no application and applying automatically to qualifying properties.
- **MONTANA:** Following intense political debate, the legislature approved targeted, structural property tax reform featuring tiered rates based on home values. Primary residences and long-term rentals now benefit from preferential treatment compared to second homes and short-term rentals. Tax year 2025 rates start at 0.76 percent for the first \$400,000 in market value, increase to 1.10 percent for values between \$400,000 and \$1.5 million, and rise to 2.20 percent for amounts exceeding \$1.5 million. The state also provided one-time \$400 rebates to eligible homeowners and expanded the elderly homeowner-renter credit by \$250.

- **COLORADO AND NORTH DAKOTA:** Both states enacted substantial property tax relief packages. North Dakota doubled the primary residence property tax credit from \$500 to \$1,250 and expanded homestead exemptions, resulting in estimated costs exceeding \$475 million over two years. Colorado voters approved Amendment G, expanding property tax exemptions for veterans whose disabilities render them unemployable, with state reimbursement to local governments for revenue losses estimated at \$1.8 million annually.
- **OHIO:** The Ohio General Assembly overrode Governor DeWine's veto of property tax provisions in the state budget restricting local governments' authority to pursue certain types of levies including replacement, emergency, and substitute levies beginning January 2026. The override passed the House 61-28 and the Senate 21-11, marking a significant shift in property tax policy despite the Governor's concerns about transparency and local flexibility.

Pending and Proposed Legislation

Policy debates around property taxes continue in the current legislative sessions. Leading examples include the following below.

- **PENNSYLVANIA:** Senate Bill 929, a constitutional amendment, would prohibit school districts from collecting property taxes beginning July 1, 2029. The measure requires the General Assembly to identify alternative funding methods, proposing a 1.88 percent personal income tax increase and 2 percent sales and use tax increase as replacement revenue. Companion legislation (Senate Bill 962 and House Bill 1649) offers detailed implementation frameworks, though prospects for passage remain uncertain given concerns about fiscal stability and education funding adequacy.
- **KANSAS:** After failing to enact substantial relief in 2025, legislative leaders pledged renewed focus on property tax reform in upcoming sessions. Multiple proposals remain under consideration, including assessment valuation limits and revenue growth caps modeled on other states' experiences.
- **GEORGIA:** Amendment 1 proposes establishing a statewide exemption to local homestead taxes unless local governments opt out, coupled with assessment limits not exceeding inflation rates. Referendum A would increase the state homestead exemption from \$7,500 to \$20,000, affecting only local government collections and not state revenue.
- **OHIO:** Four property tax reform bills are advancing through the Ohio legislature with varying status. HB 129 modifies the 20-mill floor calculation by including emergency and substitute levies; HB 186 establishes an inflation cap credit preventing school district tax increases from exceeding inflation; HB 309 expands county budget commission authority to reduce property tax levies deemed excessive after five years, targeting districts with fund balances over 30% of expenses; HB 355 caps inside millage increases at the inflation rate. All four are currently in Senate committee.

Policy Challenges and Implementation Obstacles

Research from the Tax Foundation and other policy organizations identifies profound challenges in replacing property tax revenue. Property taxes currently comprise the most stable and predictable local revenue source. Alternative revenue sources present distinct drawbacks:

- **Local Sales Taxes:** Would require dramatically higher rates with wide geographic variation. Such disparities could incentivize cross-border shopping and business relocations, exacerbating rather than solving inequities.
- **State-Level Replacement:** Centralizing revenue collection and backfilling local losses creates distributional challenges and erodes local accountability. Once property tax assessments disappear, determining appropriate funding allocations becomes intensely political.
- **Revenue Lock-In Effects:** State replacement mechanisms typically freeze funding at current levels, potentially creating perverse incentives. Growing communities would receive fewer dollars per capita, while declining areas would see per-capita funding increase, potentially discouraging economic development and revitalization efforts.

The Bottom Line

Property tax reform represents a legitimate policy challenge requiring serious, sustained attention from ESA leaders and education advocates nationwide. Rising assessments have created real hardship for many families, and the political momentum for change appears unlikely to dissipate quickly. The path forward, however, need not involve destabilizing local government finance or jeopardizing educational services. Circuit breaker programs, assessment reform to reduce volatility and bias, strategic state aid increases to support high-need communities, and transparency initiatives ensuring property tax decisions reflect voter preferences all offer promising alternatives to elimination or drastic caps.

Educational Service Agency (ESA) executives occupy critical positions in these debates. Your organizations bridge state policy and local implementation, possess deep expertise in cost-effective service delivery, and maintain credibility with both educators and policymakers. Use these assets to shape conversations, insist on responsible analysis, build coalitions for sustainable solutions, and protect the educational infrastructure that serves millions of students across America.

STATE BUDGET & FINANCE MONITORING

AESA monitors state level budget and finance news impacting preschool and primary and secondary education. These curated articles (with links) can provide insights into what is happening in your state and collectively across the U.S. The latest state budget and finance-related news for October 2025 follows below.

[Ballot Measures in the Upcoming 2025 General Elections: Potential Impacts on State Budgets](#)
NASBO

[State Pension Funding Levels Stayed Stable Despite Volatility](#)

Pew

[States Debate Conforming with Federal Tax Changes](#)

Pluribus News

[Texas put its chief financial officer in charge of school vouchers. Here's what you need to know.](#)

States Newsroom

[Coming Up for State Budget Negotiations: Plugging Major Federal Funding Cuts](#)

The Bond Buyer

[Nebraska Tax Revenue Falls Below Projections Just Before State Budget Deficit is Updated](#)

Nebraska Examiner

[Summary of FY 2026 Enacted State Budget](#)

NASBO

[Indiana Governor Calls Special Session on Redistricting Federal and State Tax Issues](#)

WRBI

[State Reserves Recede From Record High as Fiscal Pressures Mount](#)

Pew

STATEHOUSE NEWS: EDUCATION POLICY

Each month AESA finds representative examples (with links) of news items coming out of the states or impacting the states that may be of interest to ESAs and their client schools and districts:

[Indiana seeks federal waiver to streamline education funding, 'align' accountability](#)

Indiana Capital Chronicle

[Ulster BOCES prepares to dump "the industrial model" of education](#)

Hudson Valley One

[Indiana Fiscal Policy Panels Weighs Salary Gaps, Educator Shortages](#)

Indiana Capital Chronicle

[Are Ohio's 607 School Districts Excessive and Should the State Consolidate?](#)

Cleveland.com

[LIU 12 Creates New Innovation and Business Strategy Role](#)

Franklin County Press

[Superintendents Share Letter on Property Taxes](#)

Xenia Daily Gazette

[These 4 trends are shaping the 2025-26 school year](#)

K-12 Dive

[KSDE staff brief committee on education service centers and interlocal agreements](#)

Citizen Portal

[Ohio childcare workers, business leaders push for pilot program to subsidize care](#)

States Newsroom

[Wisconsin public school enrollment declines continue as vouchers grow, new data show](#)

Milwaukee Journal Sentinel

[Four-Day School Weeks Are on the Rise: What Does That Mean for Education?](#)

NSCL State Legislatures News

STATE & NATIONAL REPORTS IMPACTING EDUCATION

AESA monitors state and national reports highlighting state-level information of interest to ESAs. As always, it is important to view these reports through a critical lens with attention to research design, methodology, data sources and citations, peer review, and publication venue. This month AESA spotlights reports from the Michigan Legislature, The Thomas B. Fordham Foundation, the Georgetown University Center on Education and the Workforce, and Rand Corporation.

- [Michigan Special Education Finance Reform Blueprint](#): The Michigan Special Education Finance Reform Blueprint (MI Blueprint) was created under Section 51h of the 2024 School Aid Budget. This initiative, mandated by the legislature and developed with extensive input from educators, families, administrators, advocates, and policy experts, the MI Blueprint outlines a student-centered, needs-based, and transparent funding system designed to ensure that every child with a disability in Michigan has the resources and support necessary to thrive.

To strengthen Michigan's special education finance system, the MI Blueprint team made 9 recommendations:

1. Adopting the four-tier WSF model with a phased six-year implementation
2. Codifying and funding the HCF to support students with extraordinary needs
3. Eliminating dated ISD millage caps to remove inequitable funding barriers
4. Maintaining current transportation reimbursement levels to ensure access to required services
5. Establishing statutory reviews of the WSF model and the HCF
6. Adding annual inflation adjustments to the foundation allowance
7. Developing clear ISD distribution guidelines aligned with student-centered principles
8. Enhancing Michigan Department of Education (MDE) data systems and technical assistance to effectively support districts, educators, and families in implementing the model

9. Creating a fair cost-sharing structure to ensure that lower-wealth communities receive the support needed to deliver high-quality services
- [**Who's on Board? School Boards and Political Representation in an Age of Conflict**](#): School boards have become ground zero for America's education culture wars, with fiery debates over race, gender, curriculum, and pandemic policies making national headlines. But beyond the noise, how well do these elected bodies represent their communities? To find out, political scientists David Houston and Michael Hartney conducted the largest national survey of school board members in decades, gathering responses from more than 5,000 board members across 3,000 districts. Among the findings, the study found that school boards are diverging from community views on charter schools and district performance. To learn more click [here](#).
 - [**Georgetown University Center on Education and the Workforce: Falling Behind - How Skills Shortages Threaten Future Jobs**](#): The report explores causes and magnitude of anticipated skills shortages through at least 2032 and examines potential strategies to address them.
 - [**RAND Corporation: Cellphone Restrictions in Schools**](#): The report finds, that based on surveys of approximately 8,000 K-12 principals, three-quarters of school leaders believe phone bans have improved school climate and reduced behavior problems. Eighty-two percent of elementary schools and 78% of middle schools don't allow cellphone use at all, while only 23% of high schools have complete bans. High-poverty schools were more likely to impose strict bans.

The highlighted reports offer valuable insights that can directly inform the service design, instructional practice, governance, and advocacy efforts of ESAs and the districts they support. The Michigan Special Education Finance Reform Blueprint exemplifies evidence-based policy change, advancing a funding framework that prioritizes student needs, transparency, and equitable access to resources—major principles that ESAs can adapt when advising client districts on allocating special education resources, designing needs-based service models, and advocating for more effective state funding policies. The Fordham Institute's study on school boards examines gaps between board member perspectives and community values, offering data points ESAs can use to develop governance training, facilitate community engagement strategies, and advise on policy alignment to strengthen district governance and representativeness. Georgetown's workforce report highlights critical skills shortages projected over the next decade, providing ESAs with forward-looking data needed to help districts adapt curriculum, design workforce-embedded learning experiences, and develop services that anticipate and close regional skills gaps. Finally, the RAND report on cellphone policies reveals the impact of technology restrictions on school climate and student outcomes, equipping ESAs with research to guide districts on effective policy implementation, behavioral supports, and best practices for learning environments. Collectively, these reports equip ESAs and their partner districts with current research, proven strategies, and targeted recommendations that can drive effective educational service delivery, strengthen instructional quality, and empower impactful policy advocacy.

OCTOBER 2025 MONTHLY ADVOCACY TIP

Effective Advocacy Is a Learned Habit

Advocacy is a relatively straightforward and simple activity. But effective advocacy is learned habit that takes a certain amount of discipline. Effective advocacy, particularly in today's rapidly evolving environment, demands intentionality, expertise, and perseverance—qualities best sustained through a year-long, not sporadic, approach. This is how successful advocates differentiate themselves from the variety of voices and interests demanding time and attention from state policymakers. And that is the focus of the October edition of AESA's State Examiner.

For Educational Service Agencies (ESAs) and their leaders, establishing advocacy as a continuous, strategic priority ensures sustained visibility, strong relationships, and readiness to respond to legislative opportunities or threats, even outside of session or urgent requests. This is critical in a relational environment that is often confused as being purely transactional.

Why Advocacy Must Be Year-Round

Expert advocates consistently emphasize that advocacy is not a singular event or mere reaction to policy crises. Instead, it is an ongoing discipline built on establishing trust, growing influence, and educating stakeholders over time. In fact, if one's advocacy only intensifies during legislative sessions or when something is needed, credibility and relationship capital are often lacking, reducing the likelihood of meaningful policy impact and advocacy success. Effective advocacy is rooted in discipline: showing up every season (not just every session) whether or not a vote is imminent.

Essential Year-Round Strategies

Veteran lobbyists and advocates identify several strategies and tactics effective in sustaining advocacy throughout the calendar year:

- **Quarterly Focused Actions:** Divide the year into focused quarters, each emphasizing different priorities—from intense session activity and relationship cultivation to community engagement and deliberate reflection or planning. “Chunking” out big tasks into manageable bits helps to make it feel less overwhelming.
- **Continuous Relationship Building:** Legislators and staff are more receptive to organizations that communicate regularly, not just when seeking something. Off-session engagement, from district meetings to attending local events, builds authentic relationships and rapport. Inviting legislators and other policy makers to monthly superintendent meetings or program sites visits are good tactics.
- **Storytelling and Grassroots Mobilization:** Regularly gathering constituent stories, sharing successes, and offering policy expertise—even in slow news months—keeps issues visible and advocates energized. Utilize stories that make an emotional connection to the issues you are trying to advance.
- **Ongoing Monitoring and Analysis:** Track legislation year-round, monitor pre-filed bills, and gather intelligence on the evolving legislative landscape to position your ESA or statewide network as forward-looking and prepared. This also positions you to be a legislator's first call for input.
- **Assessment and Adjustment:** Designate time at the end of each quarter to reflect, report, and adjust strategies, ensuring lessons learned inform ongoing priorities. This can be through meetings with your leadership team or governing board.

Tactics for Sustained Advocacy

In alignment with the strategic guidance outline above, leading advocacy organizations often layer traditional and modern tactics throughout the year as follows:

- Letter-writing campaigns, blast emails, op-eds, and media outreach for visibility.
- Direct meetings with lawmakers—especially in-district—in “quiet” quarters. Including site visits.
- Grassroots list building tied to urgent legislative activity, maintaining momentum via regular calls to action.
- Coalition building to aggregate voice and influence, particularly during off-session windows conducive to collaboration.
- Internal reporting, data collection and story curating to prepare advocates for the next session.

Advocacy Activity Monitoring Template

Below is a quarterly template ESAs can use to organize, monitor, and report advocacy activities:

Quarter	Advocacy Activities	Key Outcomes/Progress	Stakeholder Engagement	Lessons Learned/Adjustments	Next Steps/Follow-up Needed
Q1					
Q2					
Q3					
Q4					

Instructions:

- In “Advocacy Activities”, record specific actions (e.g., meetings, campaigns, media engagement).
- For “Key Outcomes/Progress”, note measurable impacts or milestones reached.
- In “Stakeholder Engagement”, indicate which individuals or groups were engaged or mobilized.
- Capture “Lessons Learned/Adjustments” for candid evaluation and refinements.
- “Next Steps/Follow-up Needed” provides a running task list for accountability into future quarters.

Conclusion

Advocacy, as a discipline, gains its power and credibility not through periodic urgency but through sustained, year-round effort. By following expert guidance and using structured tools and templates, ESA leaders can foster strong, effective advocacy that advances their mission all year long. And, in an environment that is incremental and often a “slow drip” process, being patient and disciplined allows one to build the relationships needed to seize the moment when it arises and can be the difference between success and failure.

CUSTOMIZED AESA ADVOCACY TRAINING

AESA empowers education leaders to become effective advocates through its customized advocacy trainings, designed to meet a variety of needs and schedules. Whether you’re seeking an in-depth exploration or a concise overview, AESA offers three levels of workshops to build your legislative knowledge and confidence. The comprehensive three-day workshop provides a step-by-step immersion into state advocacy, covering the legislative landscape, policy and rule-making, and hands-on advocacy strategies. For those with limited time, the one-day workshop delivers essential advocacy skills and

actionable insights in a focused format. Looking for a customized training solution? AESA can do that too. Additionally, AESA offers tailored, one-hour presentations ideal for regional or local events, with expert speakers addressing state-specific challenges in politics, finance, and education policy. Each training is designed to equip participants with practical tools and strategies to make a meaningful impact in the state legislative process. For more information contact [Joan Wade, Executive Director](#).

AESA ADVOCACY GUIDE: Maximizing Impact

Educational Service Agencies play a critical role in supporting schools and districts, yet their unique needs and challenges often require tailored advocacy approaches. The recently released AESA Advocacy Guide recognizes the distinct position of ESAs and offers targeted strategies to help you navigate the complex landscape of education policy and funding.

Key Features of the toolkit include:

- Audience Analysis
- Message Development
- Channels & Content
- Advocacy Tactics

Advocacy is essential for ensuring that ESAs receive the support and recognition they deserve. With this specialized Advocacy Guide, you're equipped to lead impactful advocacy efforts that can make a real difference. [Download your copy today](#) and take the first step towards stronger, more effective advocacy for your ESA.

SHARE YOUR ADVOCACY SUCCESS STORIES

AESA would like to highlight successful state-level advocacy campaigns. Share your triumphs in state advocacy with fellow members! Contribute to our newsletter by submitting your success stories – your experiences can enlighten and inspire others in navigating the often-complex landscape of state advocacy. Together, we can amplify our collective knowledge for the benefit of the entire AESA membership. Send your stories to info@aesa.us

STAY CONNECTED & INVOLVED

Have feedback for the AESA state advocacy team? Would you like to see a particular issue area addressed in future issues? Send feedback to info@aesa.us

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