

CHAPTER 1076

SCHOOL FINANCE

H. F. 2551

AN ACT relating to school finance including the calculation of the state percent of growth, allowable growth per pupil, and the state foundation base for school foundation aid purposes and including reimbursement for public and nonpublic pupil transportation.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section two hundred seventy-three point two (273.2), Code 1979, is amended by adding the following new subsection following subsection five (5):

NEW SUBSECTION. Assistance in establishing programs for gifted and talented children.

Sec. 2. Section two hundred seventy-three point three (273.3), subsection thirteen (13), Code 1979, as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter sixty (60), section one (1), is amended to read as follows:

13. Prepare an annual budget estimating income and expenditures for programs and services as provided in sections 273.1 to 273.9 and chapter 281 within the limits of funds provided under section two hundred eighty-one point nine (281.9) and chapter four hundred forty-two (442) of the Code. The board shall give notice of a public hearing on the proposed budget by publication in an official county newspaper in each county located wholly or partially in the merged area. The notice shall specify the date which shall be not later than November 10 of each year, time, and location of the public hearing. The proposed budget as approved by the board shall then be submitted to the state board of public instruction, on forms provided by the department, no later than December 1 preceding the next fiscal year for approval. ~~The state board shall forward copies of the budgets of the area education agencies to the state comptroller. The state board and the state comptroller shall establish a maximum statewide amount for approved budgets for the area education agencies. If the state board and the state comptroller cannot agree upon a maximum statewide amount, that amount shall be established by the school budget review committee.~~ The state board shall review the proposed budget of each area education agency ~~with consideration given to the maximum statewide amount established pursuant to this subsection,~~ and shall prior to January 1 either grant approval or return the budget without approval with comments of the state board included. Any unapproved budget shall be resubmitted to the state board for final approval.

Sec. 3. Section two hundred seventy-three point five (273.5), subsection six (6), Code 1979, is amended to read as follows:

6. Submit to the department of public instruction special education instructional and support program plans and applications ~~including these for new or expanded programs and services~~, subject to criteria listed in chapter 281 and this chapter, for approval by November 1 of each year for the school year commencing the following July 1. ~~For the school years subsequent to the school year beginning July 1, 1975, the director shall include in the program plans submitted to the department for support services the costs necessary to fund the newly identified nonpublic school pupils served by the area with support services not previously counted in the program plans for support services.~~

Sec. 4. Section two hundred eighty-five point one (285.1), subsections three (3) and four (4), Code 1979, are amended to read as follows:

3. In any a district where transportation by school bus is impracticable or where school bus service is not available, the board may require the parents or guardian guardians to transport furnish transportation for their children to the ~~school~~ schools designated for attendance. The parent or guardian shall be reimbursed for such transportation service for elementary public and nonpublic school pupils by the board of the resident district ~~for the distance one-way from the pupil's residence to the school designated for attendance at the rate of fifty-six cents per mile per day irrespective of number of children transported. For high school pupils, the parent or guardian shall be reimbursed eighty dollars per pupil per year for such service, provided however no family shall receive more than one hundred sixty dollars per year for transporting the members of the family who attend high school. The provisions of this section shall apply to eligible nonpublic school pupils as well as to eligible public school pupils. However, reimbursement for nonpublic school pupils shall not exceed eighty dollars per pupil per year. The provisions of this subsection shall be effective for transportation of children commencing with the second semester of the school year beginning July 1, 1975. in an amount equal to eighty dollars plus the following percent of the difference between eighty dollars and the previous school year's statewide average per pupil transportation cost, as determined by the department of public instruction:~~

- a. For the school year commencing July 1, 1980, twenty-five percent.
- b. For the school year commencing July 1, 1981, fifty percent.
- c. For the school year commencing July 1, 1982 and each school year thereafter, seventy-five percent.

However, a parent or guardian shall not receive reimbursement for furnishing transportation for more than two family members who attend high school.

4. In all districts where unsatisfactory roads or other conditions make it advisable, the board at its discretion may require the parent parents or guardian guardians of public and nonpublic school pupils to transport furnish transportation for their children up to two miles to connect with a-vehicle vehicles of transportation. The parent parents or guardian guardians shall be reimbursed for such transportation by the board boards of the resident district districts at the rate of twenty-eight cents per mile per day, one way, per family for the distance from the pupil's residence to the bus route.

Sec. 5. Section two hundred eighty-five point one (285.1), subsection sixteen (16), Code 1979, is amended to read as follows:

16. a. If the nonpublic school designated for attendance of a pupil is located outside the boundary line of the school district of the pupil's residence, the pupil may be transported by the district of residence to a public school or other location within the district of the pupil's residence. A public school district in which a nonpublic school is located may establish school bus collection locations within its district from which nonresident nonpublic school pupils may be transported to and from a nonpublic school located in the district. If a pupil receives such transportation, the district of the pupil's residence shall be relieved of any requirement to provide transportation.

b. As an alternative to ~~the provisions enumerated in~~ paragraph a of this subsection, subject to ~~the provisions of~~ section 285.9, subsection 3, where practicable, and at the option of the public school district in which a nonpublic school pupil resides, the school district may transport a nonpublic school pupil to a nonpublic school located outside the boundary lines of the public school district if the nonpublic school is located in a school district contiguous to the school district which is transporting the nonpublic school pupils, or may contract with the contiguous public school district in which a nonpublic school is located for the contiguous school district to transport the nonpublic school pupils to the nonpublic school of attendance within the boundary lines of the contiguous school district.

c. If the nonpublic school designated for attendance of a pupil is located outside the boundary line of the school district of the pupil's residence and the district of residence meets the requirements of subsections fourteen (14) through sixteen (16) of this section by using subsection seventeen (17), paragraph c, of this section and the district in which the nonpublic school is located is contiguous to the district of the pupil's residence and is willing to provide transportation under subsection seventeen (17), paragraph a or b, of this section, the district in which the nonpublic school is located may provide transportation services, subject to section two hundred eighty-five point nine (285.9), subsection three (3), of the Code and may make the claim for reimbursement under section two hundred eighty-five point two (285.2) of the Code. The district in which the nonpublic school is located shall notify the district of the pupil's residence that it is making the claim for reimbursement, and the district of the pupil's residence shall be relieved of the requirement for providing transportation and shall not make a claim for reimbursement for those nonpublic school pupils for which a claim is filed by the district in which the nonpublic school is located.

Sec. 6. Section two hundred eighty-five point one (285.1), subsection seventeen (17), paragraph c, Code 1979, is amended to read as follows:

~~c. Utilizing the transportation reimbursement provision of subsection 3. However, --no--reimbursement--shall--exceed--eighty--dollars--per--nonpublic--school--pupil--per--year--~~

Sec. 7. Section two hundred eighty-five point fourteen (285.14), Code 1979, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A vehicle used for an approved driver education course in which the driver education teacher transports driver education students from their residences for street or highway driving is not a school bus.

Sec. 8. Section two hundred eighty-five point sixteen (285.16), Code 1979, is amended to read as follows:

285.16 "NONPUBLIC SCHOOL" DEFINED. As used in this chapter, the term "nonpublic school" means those nonpublic schools approved by the department of public instruction as provided in section 257.25 and nonpublic institutions which comply with state board of public instruction standards for providing special education programs.

Sec. 9. Section four hundred forty-two point two (442.2), subsection two (2), Code 1979, is amended to read as follows:

2. The amount paid to each school district for the tax credit for livestock under section 427.17 shall be regarded as property tax. The portion of the payment which is foundation property tax shall be determined by applying the foundation property tax rate to the taxable value of livestock assessed for taxation in the district as of January 1, 1973, determined pursuant to section 427.17, and adjusted to actual value as provided in Acts of the Sixty-fifth General Assembly, chapter 1231, section 174. A school district is hereby authorized to levy a tax on all of the taxable property within the district in an amount equal to the difference between the amount due to a school district from the personal property tax replacement fund for the preceding year and the amount actually received during the preceding fiscal year from the personal property tax replacement fund.

Sec. 10. Section four hundred forty-two point three (442.3), Code 1979, is amended to read as follows:

442.3 STATE FOUNDATION BASE. The state foundation base for the school year beginning July 1, 1972, is seventy percent of the state cost per pupil. For each succeeding school year the state foundation base shall be increased by the amount of one percent of the state cost per pupil, up to a maximum of eighty percent of the state cost per pupil. However, for the school year beginning July 1, 1980, the state foundation base shall be the same as the state foundation base for the school year beginning July 1, 1979. The district foundation base is the larger of the state foundation base or the amount per pupil which the district will receive from foundation property tax and state school foundation aid.

Sec. 11. Section four hundred forty-two point seven (442.7), subsection one (1), unnumbered paragraph one (1), Code 1979, as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), sections six (6) through ten (10), is amended to read as follows:

For school years subsequent to the school year beginning July 1, 1978, a state percent of growth for the budget year shall be computed by the state comptroller prior to September 15 in the base year and forwarded to the superintendent of public instruction. The state percent of growth shall be an average of the following four percentages of growth except as otherwise provided in paragraph c of this subsection:

Sec. 12. Section four hundred forty-two point seven (442.7), subsection one (1), paragraph a, subparagraphs one (1) and two (2), as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), section six (6), and as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), sections seven (7) through ten (10), are amended by striking the subparagraphs and inserting in lieu thereof the following:

(1) The percentage of change between the revenues received during the second year preceding the base year and the revenues received during the year preceding the base year.

(2) The percentage of change between the revenues received during the year preceding the base year and the revenues received during the base year.

Sec. 13. Section four hundred forty-two point seven (442.7), subsection one (1), paragraph b, Code 1979, as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), sections six (6) through ten (10), is amended by striking the paragraph and inserting in lieu thereof the following:

b. The difference in the gross national product implicit price deflator published by the bureau of economic analysis, United States department of commerce, computed or estimated as a percentage of change for the following:

(1) From the value for the quarter ending December thirty-first eighteen months prior to the beginning of the base year to the value for the quarter ending December thirty-first six months prior to the beginning of the base year.

(2) From the value for the quarter ending December thirty-first six months prior to the beginning of the base year to the value for the quarter ending December thirty-first six months prior to the beginning of the budget year.

The computation of the percentage change in the gross national product implicit price deflator shall be based, to the extent possible, on the latest available values for these deflators published by the bureau of economic analysis.

Sec. 14. Section four hundred forty-two point seven (442.7), subsection one (1), Code 1979, as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), sections six (6) through ten (10), is amended by adding the following new paragraph as paragraph c:

NEW PARAGRAPH. c. If the average of the percentages computed or estimated under paragraph b of this subsection exceeds the average of the percentages computed or estimated under paragraph a of this subsection, the state percent of growth shall be the average of the two percentages of growth computed or estimated under paragraph a of this subsection.

Sec. 15. Section four hundred forty-two point seven (442.7), subsection five (5), paragraph a, Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), section ten (10), and as the section is amended but not as renumbered by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), sections six (6) through nine (9), is amended by striking the paragraph and inserting in lieu thereof the following:

a. If the state cost per pupil for the budget year exceeds the district cost per pupil for the budget year, the basic allowable growth per pupil for the budget year is modified to equal one hundred ten percent of the product of the state cost per pupil for the base year times the state percent of growth for the budget year. However, the basic allowable growth per pupil for the budget year under this paragraph shall not exceed the difference between the state cost per pupil for the budget year and the district cost per pupil for the budget year. For purposes of this paragraph the state cost per pupil and the district cost per pupil shall not include special education support service costs, and the district cost per pupil for the budget year shall not include that portion of the district cost per pupil created by additions or subtractions to the allowable growth per pupil for the budget year and for prior school years beginning with the school year commencing July 1, 1977, as provided under paragraph b of this subsection.

Sec. 16. Section four hundred forty-two point seven (442.7), subsection five (5), paragraphs d and e, Code 1979, as the section is amended but not as renumbered by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), sections six (6) through ten (10), are amended to read as follows:

d. For ~~each--year--following~~ the school year beginning July 1, ~~1975~~ 1976 and ending with the school year beginning July 1, 1980, by adding to the basic allowable growth an amount to compensate for the additional costs of special education support services provided through the area education agency. For the school years beginning July 1, 1978 and July 1, 1979 only, the total amount for each area shall be equal to the total amount approved for special education support services for the base year times one hundred percent plus the state percent of growth. In addition to the amount provided in this paragraph to each area for the school years beginning July 1, 1978 and July 1, 1979 to compensate for the additional costs of special education support services, each area may be granted by the state board an additional amount to serve children newly-identified as requiring the services pursuant to plans submitted by the special education director of the area education agency as required by section 273.5. The total of additional amounts granted throughout the state by the state board for the school year beginning July 1, 1978 shall not exceed the total amount approved for special education support services for the school year beginning July 1, 1977 times four and eighty-seven hundredths percent, and for the school year beginning July 1, 1979 shall not exceed the total amount approved for special education support services for the school year beginning July 1, 1978 times three percent. For the school year beginning July 1, 1980 ~~and--each--school--year--thereafter~~ the total amount for the state for special education support services shall not exceed the total amount approved for special education support services for the base year times one hundred percent plus the state percent of growth, and the total amount for each area shall be determined by the state board of public instruction pursuant to plans submitted by the special education director of the area education agency as required by section 273.5, which shall be modified as necessary and approved by the state board of public instruction according to the criteria and limitations of section 273.5 and

chapter 281 and within the total amount for the state provided in this paragraph. The amount of additional allowable growth per pupil for the budget year for each district in an area shall be determined by dividing the total amount for the area so determined by the weighted enrollment of the area for the budget year.

e. For the school years prior to the school year beginning July 1, 1981, for the additional allowable growth computed under paragraphs "c" and "d" of this subsection, the state board of public instruction, in co-operation with the appropriate personnel of the area education agency, shall determine the amounts for each area education agency, as required and the state comptroller shall calculate the amounts of additional allowable growth for each district necessary to fund the total special education support services costs as increased for the budget year under paragraph "d" of this subsection, and shall calculate the amounts due from each district to its area education agency by multiplying the additional allowable growth per pupil necessary to fund the total special education support services costs as increased for the budget year under paragraph "d" of this subsection by the weighted enrollment in the district for the budget year. The state comptroller shall deduct the amounts so calculated for each school district from the state aid due to the district pursuant to this chapter and shall pay the amounts to the area education agencies on a quarterly basis during each school year. The state comptroller shall notify each school district of the amount of state aid deducted for this purpose and the balance of state aid will be paid to the district. If a district does not qualify for state aid under this chapter in an amount sufficient to cover its amount due to the area education agency as calculated by the state comptroller, the school district shall pay the deficiency to the area education agency from other moneys received by the district, on a quarterly basis during each school year.

Sec. 17. Section four hundred forty-two point seven (442.7), subsection five (5), Code 1979, as the section is amended but not as renumbered by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), sections six (6) through ten (10), is amended by adding the following new paragraph:

NEW PARAGRAPH. By the state comptroller under section four hundred forty-two point thirty-five (442.35) of the Code.

Sec. 18. Section four hundred forty-two point seven (442.7), Code 1979, as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), sections six (6) through ten (10), is amended by adding the following new subsection:

NEW SUBSECTION. ALLOWABLE GROWTH. For the school year beginning July 1, 1981, the state comptroller shall add to the allowable growth of affected school districts, an amount equal to the difference between the amount per pupil in weighted enrollment for the approved budget for the school year beginning July 1, 1980 for special education support services in that area education agency and the amount per pupil in weighted enrollment for the amount certified to generate funds for the school year beginning July 1, 1980 for special education support services in the area education agency and shall adjust the state cost per pupil accordingly.

Sec. 19. Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), sections eight (8) and nine (9), are amended to read as follows:

SEC. 8. Section four hundred forty-two point seven (442.7), Code 1979, is amended by adding the following new subsection after section one (1):

NEW SUBSECTION. Notwithstanding subsection one (1) of this section, for the school ~~years~~ year beginning July 1, 1980, ~~July 1, 1981, and July 1, 1982~~ only, the state percent of growth is the average of the two percentages of growth computed under subsection one (1), paragraph b, of this section.

SEC. 9. Section four hundred forty-two point seven (442.7), subsection three (3), Code 1979, is amended to read as follows:

3. Each year prior to September fifteenth the state comptroller shall recompute the state percent of growth for the previous year using adjusted estimates and the actual figures available. The difference between the recomputed state percent of growth for the base year and the original computation shall be added to or subtracted from the state percent of growth for the budget year, as applicable. However, for the budget school ~~years~~ year beginning July 1, 1980 only, July 1, 1981, and July 1, 1982 the state comptroller shall recompute the state percent of growth for the previous year using adjusted estimates and the actual figures available based only upon the consumer price index.

With regard to values of gross national product implicit price deflators, the recomputation of the state percent of growth for the previous year shall be made only with respect to the value of the deflator for the quarter which occurred subsequent to the calculation of the state percent of growth for the previous year. If subsection one (1), paragraph c, of this section is used in the calculation of the state percent of growth for the previous year, the calculation made in subsection one (1), paragraph b, of this subsection shall not be used in the recomputation of the state percent of growth for the previous year.

For the school year beginning July 1, 1981, the recomputation of the state percent of growth for the year beginning July 1, 1980 computed prior to September 15, 1980 and added to or subtracted from the state percent of growth for the school year beginning July 1, 1981 shall also include a percent equal to the difference between the estimate made of the percentage of growth in the receipts of state general fund revenue by the state comptroller prior to September 15, 1978 in computing the state percent of growth for the school year beginning July 1, 1979 and the actual figures of the percentage of growth in the receipts of state general fund revenue.

Sec. 20. Section four hundred forty-two point eight (442.8), unnumbered paragraph two (2), Code 1979, as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), section eleven (11), is amended to read as follows:

However, for the budget years beginning July 1, 1980, ~~July 1, 1981,~~ July 1, 1982, and July 1, 1983, the state cost per pupil shall equal the base year's state cost per pupil plus the allowable growth for the budget year plus an adjustment to the state cost per pupil. For the budget years beginning July 1, 1980, ~~July 1, 1981,~~ July 1, 1982, and July 1, 1983, the

adjustment to the state cost per pupil is twenty dollars per pupil, ~~six dollars-per-pupil~~, seven dollars per pupil, and eight dollars per pupil, respectively.

Sec. 21. Section four hundred forty-two point eight (442.8), unnumbered paragraph three (3), Code 1979, as the section is amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), section eleven (11), is amended to read as follows:

~~For each~~ Commencing with the school year subsequent--to--the--school--year beginning July 1, 1975 1976, and ending with the school year beginning July 1, 1979, the allowable growth added to the state cost per pupil as otherwise computed under section 442.7 shall be the basic allowable growth increased by an amount equal to the average of the amounts of allowable growth added for each school district in the state for additional special education support services needed for that year to serve newly identified children who require the services, under sections 273.9, subsection 3 and 442.7, subsection 5, paragraph "d". The state comptroller shall compute the applicable amount of allowable growth to be added to the state cost per pupil for each school year.

Sec. 22. Section four hundred forty-two point nine (442.9), subsection one (1), paragraph a, Code 1979, is amended by adding the following new unlettered paragraph:

NEW UNLETTERED PARAGRAPH. However, district cost per pupil does not include additional allowable growth added for programs for gifted and talented children under this chapter and does not include additional allowable growth established by the school budget review committee for a single school year only.

Sec. 23. Chapter four hundred forty-two (442), Code 1979, is amended by adding the following new section as section four hundred forty-two point twenty-five (442.25) of the Code:

NEW SECTION. 442.25 SPECIAL EDUCATION SUPPORT SERVICES PAYMENTS. The state comptroller shall deduct the amounts calculated for special education support services for each school district from the state aid due to the district pursuant to this chapter and shall pay the amounts to the respective area education agencies on a quarterly basis during each school year. The state comptroller shall notify each school district of the amount of state aid deducted for this purpose and the balance of state aid shall be paid to the district. If a district does not qualify for state aid under this chapter in an amount sufficient to cover its amount due to the area education agency as calculated by the state comptroller, the school district shall pay the deficiency to the area education agency from other moneys received by the district, on a quarterly basis during each school year.

Sec. 24. Section four hundred forty-two point thirty-one (442.31), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter thirteen (13), section twenty (20), and as amended by House File two thousand two hundred seventy-five (2275), section one (1), Sixty-eighth General Assembly, 1980 Session, is amended by striking the section and inserting in lieu thereof the following:

442.31 GIFTED AND TALENTED CHILDREN. For the school year beginning July 1, 1981 and succeeding school years, boards of school districts, individually or jointly with the boards of other school districts, may provide for gifted and talented children programs and annually submit program plans and budget costs, including requests for additional allowable growth for funding the programs, to the department of public instruction and to the applicable gifted and talented children advisory council, if an advisory council has been established, as provided in this chapter. A district shall not identify more than three percent of its budget enrollment for the budget year as gifted and talented.

The department of public instruction shall promulgate rules under chapter seventeen A (17A) of the Code relating to the administration of sections four hundred forty-two point thirty-one (442.31) through four hundred forty-two point thirty-five (442.35) of the Code and the new sections added to chapter four hundred forty-two (442) of the Code by this Act. The rules shall prescribe the format of program plans submitted under section four hundred forty-two point thirty-two (442.32) of the Code and shall require that programs fulfill specified objectives.

Sec. 25. Section four hundred forty-two point thirty-two (442.32), Code 1979, is amended by striking the section and inserting in lieu thereof the following:

442.32 PROGRAM PLANS. The program plans submitted by school districts shall include all of the following:

1. Program goals, objectives, and activities to meet the needs of gifted and talented children.
2. Student identification criteria and procedures.
3. Staff in-service education design.
4. Staff utilization plans.
5. Evaluation criteria and procedures and performance measures.
6. Program budget.
7. Qualifications required of personnel administering the program.
8. Other factors the department requires.

Sec. 26. Section four hundred forty-two point thirty-three (442.33), Code 1979, is amended to read as follows:

442.33 DEFINED. "Gifted and talented children" are those identified as possessing outstanding abilities who are capable of high performance. Gifted and talented children are children who require ~~differentiated--educational programs---or--services~~ appropriate instruction and educational services commensurate with their abilities and needs beyond those provided by the regular school program.

Gifted and talented children include those children with demonstrated achievement or potential ability, or both, in any ~~two--or--more~~ of the following areas or in combination:

1. General intellectual ability.
- ± 2. Creative thinking.
- ± 3. Leadership ability.
- ± 4. Visual and performing arts ability.

4 5. Specific ability aptitude.

~~5--Intellectual-ability-~~

Sec. 27. Section four hundred forty-two point thirty-four (442.34), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter thirteen (13), section twenty-one (21), and as amended by House File two thousand two hundred seventy-five (2275), section two (2), Sixty-eighth General Assembly, 1980 Session, is amended by striking the section and inserting in lieu thereof the following:

442.34 SUBMISSION OF PROGRAM PLANS. The board of directors of a school district shall submit applications for approval for gifted and talented children programs to the department not later than November first preceding the fiscal year during which the program will be offered. The board shall also submit a copy of the program plans to the gifted and talented children advisory council, if an advisory council has been established. The department shall review the program plans and shall prior to January fifteenth either grant approval for the program or return the request for approval with comments of the department included. Any unapproved request for a program may be resubmitted with modifications to the department not later than February first. Not later than February fifteenth the department shall notify the state comptroller and the school budget review committee of the names of the school districts for which gifted and talented children programs have been approved and the approved budget of each program listed separately for each school district having an approved program.

Sec. 28. Section four hundred forty-two point thirty-five (442.35), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter thirteen (13), section twenty-two (22), and as amended by House File two thousand two hundred seventy-five (2275), section three (3), Sixty-eighth General Assembly, 1980 Session, is amended by striking the section and inserting in lieu thereof the following:

442.35 FUNDING. The budget of an approved gifted and talented children program for a school district, after subtracting funds received from other sources for that purpose, shall be funded annually on a basis of one-fourth or more from the district cost of the school district and up to three-fourths by an increase in allowable growth as defined in section four hundred forty-two point seven (442.7) of the Code. Annually, the state comptroller shall establish a modified allowable growth for each such district equal to the difference between the approved budget for the gifted and talented children program for that district and the sum of the amount funded from the district cost of the school district plus funds received from other sources.

Sec. 29. Chapter four hundred forty-two (442), Code 1979, is amended by adding the following new sections:

NEW SECTION. ADVISORY COUNCIL. At the written request of one or more boards of school districts, in an area education agency, the area education agency board shall establish one or more gifted and talented children advisory councils and shall appoint members for four-year staggered terms. The terms of office of advisory council members shall commence on July first of each year. An advisory council shall consist of seven members including teachers, parents, school administrators, and other persons interested in

education in the area. Except as otherwise provided in this section, members shall be eligible electors residing in the merged area. Members shall serve without compensation but shall be reimbursed for actual and necessary expenses and mileage incurred in the performance of their duties from funds available to the area education agency.

If an area education agency has a weighted enrollment of more than thirty-five thousand, the board may appoint additional advisory councils for each thirty-five thousand weighted enrollment or fraction of thirty-five thousand. If more than one advisory council is appointed by the board, the board shall divide the merged area along school district boundary lines for jurisdiction of the advisory councils, and membership of these advisory councils shall be appointed from the designated portion of the merged area.

NEW SECTION. DUTIES OF ADVISORY COUNCIL. The gifted and talented children advisory council shall:

1. Elect a chairperson and vice chairperson from the membership of the advisory council.

2. Meet as often as deemed necessary by the advisory council.

3. Advise and assist a local board of directors in the establishment of gifted and talented children programs, when requested by the local board.

4. Review program plans and proposed budgets for a gifted and talented children program, in consultation with a gifted and talented children consultant employed by the area education agency, when requested by a local board.

5. When requested by a local board, evaluate the results of a gifted and talented children program and file a written report together with recommendations for improvement or change with the board of directors of the applicable school district, the area education agency and the department of public instruction. The evaluation shall be conducted by three or more members of the advisory council.

Sec. 30. For the school year beginning July 1, 1981, an area education agency which requires additional money to provide special education support services to children requiring special education in the area may apply to the school budget review committee for additional funds. The school budget review committee shall review the requests submitted by area education agencies and may allocate additional funds to area education agencies on the basis of need from any funds appropriated to the department of public instruction for the use of the school budget review committee.

Sec. 31. This Act is effective for the school year beginning July 1, 1981, except that the sections amending chapter two hundred eighty-five (285), section four hundred forty-two point three (442.3) and section four hundred forty-two point seven (442.7), subsection five (5), paragraph a, of the Code are effective for the school year beginning July 1, 1980.

Sec. 32. This Act, being deemed of immediate importance, takes effect from and after its publication in The Record, a newspaper published in Cedar

Falls, Iowa, and in The Garner Leader & Signal, a newspaper published in Garner, Iowa.

Approved May 20, 1980

I hereby certify that the foregoing Act, House File 2551, was published in The Record, Cedar Falls, Iowa on May 31, 1980, and in The Garner Leader & Signal, Garner, Iowa on May 28, 1980.

MELVIN D. SYNHORST, *Secretary of State*

CHAPTER 1077

AREA EDUCATION ADMINISTRATORS

H. F. 2475

AN ACT relating to the determination of the salaries for the area education agency administrators.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section two hundred seventy-three point three (273.3), subsection twelve (12), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter sixty (60), section one (1), is amended to read as follows:

12. Employ personnel, to carry out the functions of the area education agency which shall include the employment of an administrator who shall possess a certificate issued under section 260.9. The administrator shall be employed pursuant to section 279.20 and sections 279.23, 279.24 and 279.25. The salary for an area education agency administrator shall be established by the board based upon the previous experience and education of the administrator, ~~except that the salary established by the board for an administrator for a school year shall not exceed the salary established by the board for that administrator for the preceding school year by more than seven percent. The salary shall include the costs of additional benefits, over and above the additional benefits given all full-time employees.~~ The provisions of section 279.13 shall apply to the area education agency board and to all teachers employed by the area education agency. The provisions of sections 279.23, 279.24 and 279.25 shall apply to the area education board and to all administrators employed by the area education agency. ~~The salary rate for the administrator established by the board is subject to the approval of the state board.~~

Sec. 2. The effective date of this Act is January first following its enactment.

Approved May 17, 1980