

into consideration the relative budget and cash position of the state resources. However, the state aids paid to school districts under section 442.28 shall be paid in installments due on or about December fifteenth, March fifteenth, and May fifteenth of each year and the state aids paid to school districts under Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), section seventeen (17), shall be paid in installments due on or about March fifteenth and May fifteenth of each year.

Sec. 4. Acts of the Sixty-eighth General Assembly, 1979 Session, chapter one hundred six (106), section seventeen (17), unnumbered paragraph one (1), is amended to read as follows:

If a school district's additional enrollment because of special education determined by the district on ~~the-second-Friday-of-September~~ December first in the budget year is greater than its additional enrollment because of special education determined by the district on ~~the--second--Friday-of-September~~ December first in the base year, the school district is entitled to an advance from the state of an amount equal to its district cost per pupil for the budget year less the amount per pupil for special education support services, computed as a part of district cost under section 442.7 for the budget year multiplied by the district's increase in additional enrollment because of special education. The advance shall be miscellaneous income.

Approved April 24, 1980

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CHAPTER 1079  
SCHOOL DISTRICT DISSOLUTION  
H. F. 2340

AN ACT to establish a dissolution commission, prescribe its duties, and provide for the dissolution of a school district.

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

Section 1. Chapter two hundred seventy-five (275), Code 1979, is amended by adding sections two (2) through six (6) and nine (9) of this Act.

Sec. 2. NEW SECTION. DISSOLUTION COMMISSION. As an alternative to school district reorganization prescribed in this chapter, the board of directors of a school district may establish a school district dissolution commission to prepare a proposal of dissolution of the school district and attachment of all of the school district to one or more contiguous school districts and to include in the proposal a division of the assets and liabilities of the dissolving school district.

The dissolution commission shall consist of seven members appointed by the board for a term of office ending either with a report to the board that no proposal can be approved or on the date of the election on the proposal.

Members of the dissolution commission must be eligible electors who reside in the school district, not more than three of whom may be members of the board of directors of the school district. Members shall be appointed from throughout the school district and should represent the various socio-economic factors present in the school district.

Members of the dissolution commission shall serve without compensation and may be appointed to a subsequent commission. A vacancy on the commission shall be filled in the same manner as the original appointment was made.

The board of the school district shall certify to the area education agency board that a commission has been formed, the names and addresses of commission members, and that the commission members represent the various geographic areas and socio-economic factors present in the district.

Sec. 3. NEW SECTION. MEETINGS. The commission shall hold an organizational meeting not more than fifteen days after its appointment and shall elect a chairperson and vice chairperson from its membership. Thereafter the commission may meet as often as deemed necessary upon the call of the chairperson or a majority of the commission members.

The commission shall request statements from contiguous school districts outlining each district's willingness to accept attachments of the affected school district to the contiguous districts and what conditions, if any, the contiguous school district recommends. The commission shall meet with boards of contiguous school districts and with residents of the affected school district to the extent possible in drawing up the dissolution proposal. The commission may seek assistance from the area education agency and the department of public instruction.

Sec. 4. NEW SECTION. DISSOLUTION PROPOSAL. The commission shall send a copy of its dissolution proposal or shall inform the board that it cannot agree upon a dissolution proposal not later than one year following the date of the organizational meeting of the commission. The commission shall also send a copy of the dissolution proposal by registered mail to the boards of directors of all school districts to which area of the affected school district will be attached. If the board of a district to which area of the affected school district will be attached objects to the attachment, within ten days following receipt of the dissolution proposal the board shall send its objections in writing to the commission. The commission may consider the objections and may modify the dissolution proposal. If the dissolution proposal is modified, the commission shall notify by registered mail the boards of directors of all school districts to which area of the affected school district will be attached.

If the commission cannot agree upon a dissolution proposal prior to the expiration of its term, the board may appoint a new commission.

Sec. 5. NEW SECTION. HEARING. Within ten days following the filing of the dissolution proposal with the board, the board shall fix a date for a hearing on the proposal which shall not be more than sixty days after the dissolution petition was filed with the board. The board shall publish notice of the date, time, and location of the hearing at least ten days prior to the date of the hearing by one publication in a newspaper in general circulation in the district. The notice shall include the content of the

dissolution proposal. A person residing or owning land in the school district may present evidence and arguments at the hearing. The president of the board shall preside at the hearing. The board shall review testimony from the hearing and shall adopt or amend and adopt the dissolution proposal. The board shall notify by registered mail the boards of directors of all school districts to which area of the affected school district will be attached and the state board of public instruction of the contents of the dissolution proposal adopted by the board. If the board of a district to which area of the affected school district will be attached objects to the attachment, that portion of the dissolution proposal will not be included in the proposal voted upon under section six (6) of this Act and the state board of public instruction shall attach the area to a contiguous school district. If the board of a district to which area of the affected school district will be attached objects to the division of assets and liabilities contained in the dissolution proposal, section two hundred seventy-five point thirty (275.30) of the Code shall apply for the division of assets and liabilities to that district.

If a dissolution proposal adopted by a board contains provisions that ninety-five percent or more of the taxable valuation of the dissolving district would be assumed and attached to a single school district, the dissolving school district shall cease further proceedings to dissolve and shall comply with reorganization procedures specified in this chapter.

Sec. 6. NEW SECTION. ELECTION. The board of the school district shall call a special election to be held not later than forty days following the date of the final hearing on the dissolution proposal. The special election may be held at the same time as the regular school election. The proposition submitted to the voters residing in the school district at the special election shall describe each separate area to be attached to a contiguous school district and shall name the school district to which it will be attached.

The board shall give written notice of the proposed date of the election to the county commissioner of elections. The proposed date shall be pursuant to sections thirty-nine point two (39.2), subsections one (1) and two (2) and forty-seven point six (47.6), subsections one (1) and two (2) of the Code. The county commissioner of elections shall give notice of the election by one publication in the same newspaper in which the previous notice was published about the hearing, which publication shall not be less than four nor more than twenty days prior to the election.

The proposition shall be adopted if a majority of the electors voting on the proposition approve its adoption.

The attachment is effective July first following its approval.

Sec. 7. Section two hundred seventy-four point four (274.4), Code 1979, is amended to read as follows:

274.4 RECORD OF REORGANIZATION FILED. When an election on the proposition of organizing, reorganizing, enlarging, or changing the boundaries of any school corporation, or on the proposition of dissolving a school district, carries by the required statutory margin, or the boundary lines of contiguous school corporations are changed by the concurrent action

of the respective boards of directors, the secretary of ~~said~~ the school corporation, shall file a written description of the new boundaries of the school corporation in the office of the county auditor of each county in which any portion of the school corporation lies.

Sec. 8. Section two hundred seventy-nine point forty (279.40), unnumbered paragraph four (4), Code 1979, is amended to read as follows:

Cumulation of sick leave ~~by--virtue-of~~ under this section shall not be affected or terminated ~~by--reason-of~~ due to the organization or dissolution of a community school district or districts which include all or the portion of the district which employed the particular public school employee for the school year previous to ~~such~~ the organization or dissolution, if ~~such~~ the employee is employed by one of ~~such~~ the community school districts for the first school year following its organization or dissolution.

Sec. 9. If the enrollment of a school district increases or is expected to increase because an adjacent district has dissolved or is expected to dissolve, the board of directors of the school district shall determine whether there is a need to hire additional certificated or noncertificated employees. If the board of directors determines that there is a need to hire additional employees, the board shall determine the nature and number of the necessary new positions. Individuals who were employees of the dissolved district may apply for the new positions. The board shall hire those applicants who were employees of the dissolved district whenever the applicant is certificated for the new position or, in the case of noncertificated personnel, is otherwise qualified. If two employees of the dissolved district apply for a single certificated position, the applicant who is best qualified in the opinion of the board shall be hired. The board is not required to hire applicants who were employees of the dissolved district if the district has been dissolved for one or more school years. Applicants who are reemployed under this section shall maintain in the reemploying district vacation, salary or alternatively placement on a salary schedule based on the employee's years of experience, sick leave, and completion of probationary status as defined by section two hundred seventy-nine point nineteen (279.19) of the Code.

Approved May 17, 1980