

or upgrade railroad right-of-way and trackage facilities for the development of railroad passenger tourism.

Sec. 3. Section 307.29, Code 1989, is repealed.

Approved March 3, 1989

CHAPTER 5

EDUCATIONAL EXCELLENCE PROGRAM

S.F. 38

AN ACT relating to the payment of moneys to teachers under the educational excellence program, including calculation of payments, the frequency and manner of payments, eligibility for payments, and deadlines for submission of plans and reports of moneys expended.

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

Section 1. Section 294A.6, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If the moneys allocated for phase I for a school year exceed the moneys required to pay the total minimum salary supplements to all school districts and area education agencies, the board of directors of a school district that has employed one or more additional teachers as a result of a whole grade sharing agreement completed under section 282.7 may request approval from the department of education for additional funding for its minimum salary supplement for that school year and succeeding school years if the other school district or districts that are parties to the sharing agreement have correspondingly reduced their number of teachers. If the department of education approves the payment of the additional salary supplement to a district, the department shall certify to the department of revenue and finance that the additional payment be made. The payment shall be equal to the amount of the difference between eighteen thousand dollars and the teacher's regular compensation, plus the amount required to make the payments on the additional salary moneys for the employer's share of the federal social security and Iowa public employees' retirement system, or a pension and annuity retirement system established under chapter 294. If the phase I moneys remaining are insufficient to pay the entire amount approved by the department of education, the department of revenue and finance shall prorate the payments to school districts.

Sec. 2. Section 294A.14, unnumbered paragraph 5, Code 1989, is amended to read as follows:

For school districts, a performance-based pay plan may provide for additional salary for individual teachers, ~~for teachers assigned to a specific discipline, or for additional salary~~ for all teachers assigned to an attendance center. For area education agencies, a performance-based pay plan may provide for additional salary for individual teachers, ~~or for additional salary~~ for all teachers assigned to a specific discipline within an area education agency, ~~or for additional salary for individual teachers assigned to a multidisciplinary team within an area education agency.~~ If the plan provides additional salary for all teachers assigned to an attendance center, ~~or specific discipline, or multidisciplinary team,~~ the receipt of additional salary by those teachers shall be determined on the basis of whether that attendance center, ~~or specific discipline, or multidisciplinary team~~ meets specific objectives adopted for that attendance center, ~~or specific discipline, or multidisciplinary team.~~ For school districts, the objectives may include,

but are not limited to, decreasing the dropout rate, increasing the attendance rate, or accelerating the achievement growth of students enrolled in that attendance center.

Sec. 3. Section 294A.15, Code 1989, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 1:

NEW UNNUMBERED PARAGRAPH. Effective July 1, 1989, a plan adopted by the board of directors of a school district or area education agency may include as a part of the plan a proposal that expands a performance-based pay plan or a supplemental pay plan, or a combination of the two pay plans, that meets the criteria listed in section 294A.14 and was in effect in the school district or area education agency prior to July 1, 1987. The budget for the plan submitted to the department of education shall include both the general fund moneys which must be equal to those used prior to July 1, 1987, and the phase III moneys which expand the activity and is for programs that would meet the criteria listed in section 294A.14.

Sec. 4. Section 294A.16, unnumbered paragraph 1, Code 1989, is amended to read as follows:

A plan adopted by the board of directors of a school district or area education agency shall be submitted to the department of education not later than July 1 of a school year for that school year for a school district, and not later than September 1 of a school year for that school year for an area education agency. Amendments to multiple year plans may be submitted annually.

Sec. 5. Section 294A.16, unnumbered paragraph 2, Code 1989, is amended to read as follows:

If a school district uses teachers under a contract between the district and the area education agency in which the district is located and both the school district and the area education agency have approved phase III plans, the school district shall ~~make provision for those teachers under phase III~~ transmit to the employing area education agency a portion of its phase III moneys based upon the portion that the salaries of teachers employed by the area education agency and assigned to the school district for the school year bears to the total teacher salaries paid in the district for that school year, including the salaries of the teachers employed by the area education agency. If the area education agency has an approved phase III plan and the school district does not, the department of management shall transmit phase III moneys to the area education agency for those teachers from the phase III money that would have been paid to the school district if the school district had had an approved phase III plan using the formula that would have been used if the school district had had an approved phase III plan.

Sec. 6. Section 294A.16, unnumbered paragraph 4, Code 1989, is amended by striking the paragraph and inserting in lieu thereof the following:

A school district or area education agency, which receives money for a school year for an approved phase III plan, may retain up to fifty percent of the moneys allocated to the district or area education agency for the next succeeding school year, in order to continue the approved plan. Any of the retained phase III moneys remaining in the district or area education agency account after the second year of the plan shall revert to the general fund of the state as provided in section 8.33.

Any moneys allocated or retained for an approved phase III plan, and any interest accrued on the moneys, shall not be commingled with state aid payments made, under sections 442.25 and 442.26, to a school district or area education agency and shall be accounted for by the school district or area education agency separately from state aid payment accounts.

Sec. 7. Section 294A.19, Code 1989, is amended to read as follows:

294A.19 REPORT.

Each school district and area education agency receiving moneys for phase III during a school year shall file a report with the department of education. School district reports shall be filed by July 1 of the next following school year, and area education agency reports shall be filed by September 1 of the next following school year. The report shall describe the plan, its objectives, its implementation, ~~and~~ the expenditures made under the plan including the salary increases paid to each eligible employee, and the extent to which its objectives were

attained. The report may include any proposed amendments to the plan for the next following school year.

Annually, the department shall summarize the information contained in the reports filed by the school districts and area education agencies. The reports shall be available upon request.

Sec. 8. Section 294A.22, unnumbered paragraph 1, Code 1989, is amended to read as follows:

Payments for each phase of the educational excellence program shall be made by the department of revenue and finance on a quarterly monthly basis, and the commencing on October 15 and ending on June 15 of each fiscal year taking into consideration the relative budget and cash position of the state resources. The payments shall be separate from state aid payments made pursuant to sections 442.25 and 442.26. For the school year beginning July 1, 1987, the first quarterly payment shall be made not later than October 15, 1987 taking into consideration the relative budget and cash position of the state resources. The payments made under this section to a school district or area education agency may be combined and a separate accounting of the amount paid for each program shall be included.

Sec. 9. Section 294A.22, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Payments made to a teacher by a school district or area education agency under this chapter are wages for the purposes of chapter 91A except for payments made under an approved phase III plan where a modified payment plan has either been mutually agreed upon by the board of directors and the certified bargaining representative for certificated employees or for a district that is not organized for collective bargaining purposes where a modified payment plan is adopted by the board.

Sec. 10. Section 5 of this Act applies to phase III plans submitted for the school year beginning July 1, 1989.

Approved March 7, 1989

CHAPTER 6

INCOME TAX ESTIMATES AND WITHHOLDING, INHERITANCE TAXES, AND RAILWAY TAXES

S.F. 113

AN ACT relating to state taxes and tax administration by increasing the threshold for making estimated income tax payments, allowing an election by withholding agents to make estimated tax payments on behalf of nonresidents on incomes from agricultural products, providing for the adoption of federal estate tax values by agreement between the estate and the department, and the repealing of the railway vehicle fuel tax and railway mileage tax, and providing effective dates and applicability provisions.

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

Section 1. Section 307B.23, subsection 1, Code 1989, is amended to read as follows:

1. There is created in the office of the state treasurer a "special railroad facility fund". This fund shall include moneys credited to this fund under sections section 307.29, 435.9, and other moneys which by law may be credited to the special railroad facility fund. The moneys in the special railroad facility fund are appropriated to and for the purposes of the authority as provided in this chapter. The funds in the special railroad facility fund shall not be considered as a part of the general fund of the state, are not subject to appropriation for any other purpose by the general assembly, and in determining a general fund balance shall not be included in the