

Fiscal Note



Fiscal Services Division

<u>HF 2278</u> – School Bus Open Enrollment (LSB1362HZ.1) Staff Contact: Jacob Ludwig (515.725.0155) <u>jacob.ludwig@legis.iowa.gov</u> Fiscal Note Version – As amended and passed by the House

Description

<u>House File 2278</u> establishes new standards for the transportation of students between districts based on the size of the districts, contiguity, and proximity of pupils to their respective attendance centers in the districts where they are open enrolling. The Bill removes the requirement that the school boards of the resident and receiving school district agree to the arrangement. The school boards may form agreements allowing a receiving school district to transport students irrespective of the established standards.

Background

Current law authorizes a receiving school district to send school vehicles into the district of residence of a student who open enrolls and to transport the student to and from school in the receiving school district. However, districts are not required to transport students who do not reside in the district. A district may transport a nonresident student, but if it does, the district must charge that student's parent a fee under Iowa Code section <u>285.1</u> unless the open-enrolled student is entitled to transportation. The fee is determined by the average actual cost for all the children transported in all school buses in the district.

Open-enrolled students are entitled to transportation only if they fall below certain income thresholds. Those students' resident districts are required to provide transportation and have three options for providing that transportation:

- Provide bus transportation to the receiving school district.
- Allow buses from the receiving school district to enter the resident district's lines to pick up the student.
- Provide reimbursement based on the formula in Iowa Code section 285.1.

Approximately 39,000 lowa students were open enrolled when certified enrollments were determined on October 1, 2022, for the 2022-2023 school year. Each of the 327 school districts in the State reported at least one student served through an open enrollment arrangement.

Assumptions

- The statewide average cost of transporting a student is \$669 for the 2023-2024 school year.
- It is unknown how many students wish to receive transportation services from the school district into which they have open enrolled but have been denied by their resident school district.

Fiscal Impact

There is no fiscal impact to the State.

There may be a fiscal impact to school districts that choose to provide transportation to students who open enroll. This cost cannot be determined since it would vary across school districts and specific student situations. Additionally, the cost would be voluntarily incurred by school districts since they are not required to provide the transportation. Those school districts could be reimbursed for at least part of the transportation cost by fees paid by the parents of the students.

Source

Department of Education Legislative Services Agency

/s/ Jennifer Acton

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The fiscal note for this Bill was prepared pursuant to <u>Joint Rule 17</u> and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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