HOUSE FILE 139 BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 95)

## A BILL FOR

1	An	Act relating to requirements for the enactment of the
2		state percent of growth and the categorical state percent
3		of growth and including effective date and applicability
4		provisions.
5	BE	IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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Section 1. Section 257.8, subsections 1 and 2, Code 2015, 2 are amended to read as follows:

1. State percent of growth. The state percent of growth 3 4 for the budget year beginning July 1, 2012, is two percent. 5 The state percent of growth for the budget year beginning July 6 1, 2013, is two percent. The state percent of growth for the 7 budget year beginning July 1, 2014, is four percent. The state 8 percent of growth for each subsequent budget year shall be 9 established by statute which shall be enacted within thirty 10 days of the submission in the year preceding the base year of 11 the governor's budget under section 8.21 as provided in this 12 subsection. The statute establishing the state percent of 13 growth for a budget year beginning July 1 of an odd-numbered 14 calendar year shall be enacted within thirty days of the 15 submission of the governor's budget under section 8.21 in that 16 odd-numbered calendar year. The statute establishing the state 17 percent of growth for a budget year beginning July 1 of an 18 even-numbered calendar year shall be enacted during the regular 19 legislative session preceding the base year. The establishment 20 of the state percent of growth for a budget year shall be the 21 only subject matter of the bill which enacts the state percent 22 of growth for a budget year.

2. Categorical state percent of growth. The categorical
 state percent of growth for the budget year beginning July
 1, 2012, is two percent. The categorical state percent of
 growth for the budget year beginning July 1, 2013, is two
 percent. The categorical state percent of growth for the
 budget year beginning July 1, 2014, is four percent. The
 categorical state percent of growth for each budget year shall
 be established by statute which shall be enacted within thirty
 days of the submission in the year preceding the base year of
 the governor's budget under section 8.21 as provided in this
 <u>subsection</u>. The statute establishing the categorical state
 percent of growth for a budget year beginning July 1 of an
 odd-numbered calendar year shall be enacted within thirty days

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1 of the submission of the governor's budget under section 8.21 2 in that odd-numbered calendar year. The statute establishing 3 the categorical state percent of growth for a budget year 4 beginning July 1 of an even-numbered calendar year shall be 5 enacted during the regular legislative session preceding the 6 base year. The establishment of the categorical state percent 7 of growth for a budget year shall be the only subject matter of 8 the bill which enacts the categorical state percent of growth 9 for a budget year. The categorical state percent of growth 10 may include state percents of growth for the teacher salary ll supplement, the professional development supplement, the early 12 intervention supplement, and the teacher leadership supplement. 13 Sec. 2. Section 257.40, subsection 1, Code 2015, is amended 14 to read as follows: 15 1. The board of directors of a school district requesting to 16 use a modified supplemental amount for programs for returning 17 dropouts and dropout prevention shall submit requests for a 18 modified at-risk supplemental amount, including budget costs, 19 to the department not later than December 15 of the year 20 February 10 preceding the budget year during which the program 21 will be offered. The department shall review the request and 22 shall prior to January 15 March 10 either grant approval for

23 the request or return the request for approval with comments 24 of the department included. An unapproved request for a 25 program may be resubmitted with modifications to the department 26 not later than February 1 March 25. Not later than February 27 15 April 10, the department shall notify the department of 28 management and the school budget review committee of the names 29 of the school districts for which programs using a modified 30 supplemental amount for funding have been approved and the 31 approved budget of each program listed separately for each 32 school district having an approved request.

33 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
34 immediate importance, takes effect upon enactment.
35 Sec. 4. APPLICABILITY. This Act applies to the

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1 establishment of the state percent of growth and the

2 categorical state percent of growth for school budget years 3 beginning on or after July 1, 2016.

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5 6 The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

EXPLANATION

7 This bill modifies the requirements for enacting the state 8 percent of growth and the categorical state percent of growth 9 under Code section 257.8.

10 Current law requires the state percent of growth and the 11 categorical state percent of growth to be established by 12 statute within 30 days of the submission of the governor's 13 budget in the year preceding the base year.

The bill requires the statute establishing the state percent of growth and the categorical state percent of growth for a budget year beginning July 1 of an odd-numbered calendar year to be enacted within 30 days of the submission of the governor's budget in that odd-numbered calendar year. The bill requires the statute establishing the state percent of growth and the categorical state percent of growth for a budget year beginning July 1 of an even-numbered calendar year to be enacted during the regular legislative session preceding the base year.

The bill amends Code section 257.40 relating to dropout prevention funding to address changes in the timing of establishment of the state percent of growth.

The bill takes effect upon enactment and applies to the establishment of the state percent of growth and the categorical state percent of growth for school budget years beginning on or after July 1, 2016.

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