

Sec. 15. This Act, being deemed of immediate importance, takes effect from and after its publication in the Waterloo Courier, a newspaper published in Waterloo, Iowa, and in the LeMars Daily Sentinel, a newspaper published in LeMars, Iowa.

Approved June 8, 1983

I hereby certify that the foregoing Act, House File 532 was published in the LeMars Daily Sentinel, LeMars, Iowa on June 14, 1983 and in the Waterloo Courier, Waterloo, Iowa on June 13, 1983.

MARY JANE ODELL, *Secretary of State*

---

**CHAPTER 185**  
**FUNDS AVAILABLE FOR SCHOOL DISTRICTS**  
*H.F. 562*

**AN ACT** relating to funds available to school districts.

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

Section 1. Section 32.2, Code 1983, is amended to read as follows:

32.2 ACTIONS FOR PENALTY. ~~Such~~ The action or suit may be brought by and in the name of the state, on the relation of any a citizen thereof of the state, and ~~such the~~ penalty, when collected, less the reasonable cost and expense of action or suit and recovery, to be certified by the clerk of the district court of the county in which the offense is committed, shall be paid into the county treasury for the benefit of the school fund to the treasurer of state for deposit in the general fund of the state, and two or more penalties may be sued for and recovered in the same action or suit.

Sec. 2. Section 99.30, Code 1983, is amended to read as follows:

99.30 APPLICATION OF TAX. ~~The said tax collected shall be applied in payment of any toward the deficiency in the payment of costs of the action and abatement on behalf of the state to the extent of such deficiency which exist after the application thereto of the proceeds of the sale of personal property as hereinbefore provided, and the.~~ The remainder of said the tax together with the unexpended portion of the proceeds of the sale of personal property shall be distributed to the temporary school fund of the county paid to the treasurer of state for deposit in the general fund of the state, except that ten percent of the amount of the whole tax collected and of the whole proceeds of the sale of ~~said the~~ personal property, as provided in this chapter, shall be paid by the treasurer to the attorney representing the state in the injunction action, at the time of final judgment.

Sec. 3. Section 127.21, Code 1983, is amended to read as follows:

127.21 SCHOOL FUND PROCEEDS. Any balance of said the proceeds shall be paid by the sheriff to the county treasurer who shall credit the same to the county school fund treasurer of state for deposit in the general fund of the state.

Sec. 4. Section 279.33, Code 1983, is amended to read as follows:

279.33 ANNUAL SETTLEMENTS. At a regular or special meeting held in July prior to or on July not later than August 15, the board of each school corporation shall meet, examine the books of and settle with the secretary and treasurer for the year ending on the thirtieth day of preceding June preceding 30, and transact such other business as may properly come before it necessary. The treasurer at the time of such settlement shall furnish the board with a sworn statement from each depository showing the balance then on deposit in such the depository. Should If the secretary or treasurer fail to make proper reports for such the settlement, the board shall take action to secure the same obtain the balance information.

Sec. 5. Section 279.34, Code 1983, is amended to read as follows:

279.34 FINANCIAL STATEMENT—PUBLICATION. In each school district, the board shall, during the second week of July August of each year, publish by one insertion in at least one newspaper, if there is a newspaper published in said the district, a summarized statement verified by affidavit of the secretary of the board showing the receipts and disbursements of all funds for the preceding school year. In all such districts of more than one hundred twenty-five thousand population, the statement of disbursements is to show the names of the persons, firms, or corporations, and the total amount paid to each during the school year.

Sec. 6. Section 279.35, Code 1983, is amended to read as follows:

279.35 OTHER DISTRICTS—FILING STATEMENT. In every school district wherein in which no newspaper is published, the president and secretary of the board of directors thereof shall file the above statement required in section 279.34 with the area education agency administrator during the second week of July August of each year and shall post copies thereof of the statement in three conspicuous places in the district.

Sec. 7. Section 279.38, unnumbered paragraph 1, Code 1983, is amended to read as follows:

Boards of directors of school corporations may pay, out of funds available to them, reasonable annual dues to an the Iowa association of school boards. The financial condition and transactions of the Iowa association of school boards shall be audited in the same manner as school corporations as provided in section 11.18. In addition, annually the Iowa association of school boards shall publish a listing of the school districts and the annual dues paid by each and shall publish an accounting of all moneys expended for expenses incurred by and salaries paid to legislative representatives and lobbyists of the association.

Sec. 8. NEW SECTION. 297.33 LOAN AGREEMENTS. In order to make immediately available proceeds of the schoolhouse tax which has been approved by the voters as provided in section 278.1, subsection 7, the board of directors may, with or without notice, borrow money and enter into loan agreements in anticipation of the collection of the tax with a bank, investment banker, trust company, insurance company, or insurance group.

By resolution, the board shall provide for an annual levy which is within the limits of the tax approved by the voters to pay for the amount of the principal and interest due each year until maturity. The board shall file a certified copy of the resolution with the auditor of each county in which the district is located. The filing of the resolution with the auditor shall make it the duty of the auditor to annually levy the amount certified for collection until funds are realized to repay the loan and interest on the loan in full.

The loan must mature within the period of time authorized by the voters and shall bear interest at a rate which does not exceed the limits provided under chapter 74A. A loan agreement entered into pursuant to this section shall be in a form as the board of directors shall by resolution provide and the loan shall be payable as to both principal and interest from the proceeds of the annual levy of the voted tax pursuant to section 278.1, subsection 7, or so much thereof as will be sufficient to pay the loan and interest on the loan.

The proceeds of a loan must be deposited in a fund which is separate from other district funds. Warrants paid from this fund must be for purposes authorized by the voters as provided in section 278.1, subsection 7.

This section does not limit the authority of the board of directors to levy the full amount of the voted tax, but if and to whatever extent the tax is levied in any year in excess of the amount of principal and interest falling due in that year under a loan agreement, the first available proceeds, to an amount sufficient to meet maturing installments of principal and interest under the loan agreement, shall be paid into the sinking fund for the loan before the taxes are otherwise made available to the school corporation for other school purposes, and the amount required to be annually set aside to pay principal of and interest on the money borrowed under the loan agreement shall constitute a first charge upon the proceeds of the special voted tax, which tax shall be pledged to pay the loan and the interest on the loan.

This section is supplemental and in addition to existing statutory authority to finance the purposes specified in section 278.1, subsection 7, and for the borrowing of money and execution of loan agreements in connection with that section and subsection, and is not subject to any other law. The fact that a school corporation may have previously borrowed money and entered into loan agreements under authority of this section does not prevent the school corporation from borrowing additional money and entering into further loan agreements if the aggregate of the amount payable under all of the loan agreements does not exceed the proceeds of the voted tax.

Sec. 9. Section 302.4, Code 1983, is amended to read as follows:

302.4 DIVISION AND APPRAISEMENT. The board of supervisors may, at such time as it may fix, and as preliminary to a sale, authorize the trustees of any a township, where the sixteenth section or land selected in lieu thereof of the sixteenth section has not been sold, to lay out the same section into such tracts as in their judgment will be for the best interests of the permanent school fund, conforming, as far as the interests of said the fund will permit, to the legal subdivisions of the United States surveys, and appraise each tract at what they believe to be its true value, and certify to said the board the divisions and appraisements made by them. Said The division and appraisement shall be approved or disapproved by said the board at its first meeting after such the report, and in case it disapproves the same, it may at once order another division and appraisement. If the board of supervisors approves, the county auditor shall make and keep a record of such the division, appraisement, and approval; but no school lands of any kind shall not be sold for less than the appraised value per acre, except as hereinafter provided; nor shall any. A member of the board of supervisors, county auditor, township trustee, or any a person who was engaged in the division and appraisement of said the land, shall not be directly or indirectly interested in the purchase thereof of the land; and any sale made, where such the parties or any of them are so interested have an interest in the land, shall be void.

Sec. 10. Section 302.6, Code 1983, is amended to read as follows:

302.6 SALE WITHOUT APPRAISEMENT. When the county board of supervisors of any county has once offered for sale any school lands held under section 302.1 in compliance with the requirements of this chapter, and they remain unsold, and it is unable to obtain therefor the appraised value thereof of the lands, and in the opinion of said the board, it is for the best interests of the permanent school fund that the same lands be sold for a less price, it may instruct the auditor to transmit to the secretary of state a certified copy of its proceedings in relation to the order of sale thereof of the land and subsequent proceedings in relation thereto to the sale, including the action of the township trustees, and the price per acre at which the land had been appraised, which transcript the. The secretary of state shall submit the transcript of the proceedings to the executive council; and if it approves of a sale at a less sum,

it shall certify ~~such~~ the approval to the auditor of the county from which ~~said~~ the transcript came, ~~which~~. The certificate shall be transcribed recorded in the minute book of the board of supervisors, and thereupon said the land may again be offered and sold to the highest bidder without again being appraised, after notice given as in case of sales in the first instance, without being again appraised.

Sec. 11. Section 302.8, Code 1983, is amended to read as follows:

302.8 SALE OF LANDS BID IN. When lands have been sold and bid in by the state in behalf of the permanent school fund upon a judgment in favor of ~~such~~ the fund, the land may be sold in ~~like~~ the same manner as other school lands, and when lands have been conveyed to the counties in which they are situated for the use of the permanent school fund, instead of to the state, ~~such~~ the conveyance ~~shall be~~ is valid and binding, and upon proper certificates of sales patents shall issue in ~~like~~ the same manner as ~~in cases where if~~ the conveyances ~~were~~ had been properly made to the state.

Sec. 12. Section 302.9, Code 1983, is amended to read as follows:

302.9 CASH OR COLLATERAL SECURITY. When, in the judgment of the board of supervisors, ~~any~~ school lands held under section 302.1 are of such a character that a sale upon partial credit would be unsafe or incompatible with the interest of the permanent school fund, and especially in the case of timbered lands, the board of supervisors may ~~in its discretion~~ exact the whole of require the entire purchase money in advance; or if ~~it~~ the board sells ~~such~~ the land upon a partial credit, as ~~hereinbefore prescribed~~, it shall require good collateral security for the payment of the part upon which credit is given.

Sec. 13. Section 302.10, Code 1983, is amended to read as follows:

302.10 UNIFORM INTEREST DATE. ~~In all cases where~~ If money is due to the permanent school fund, either for loans or deferred payments of the purchase price of land sold, the interest shall be made payable on the first day of January each year, and if the debtor fails to pay the interest within six months ~~thereafter~~ of the date it is due, the entire amount of both principal and interest shall become due, and the county auditor shall ~~make a report thereof~~ the nonpayment to the county attorney, who shall immediately commence action for the collection of the amount reported to him as due, and ~~this~~. This section is hereby declared to be a part of any a contract made by virtue of this chapter, whether expressed ~~therein~~ in the contract or not.

Sec. 14. Section 302.11, Code 1983, is amended to read as follows:

302.11 SCHOOL FUND ACCOUNTS—AUDIT OF LOSSES. The state comptroller shall keep the permanent school fund accounts in books provided for that purpose, separate and distinct from the revenue books. The auditor of state shall audit ~~all~~ losses to the permanent school or university fund ~~which shall have been occasioned~~ caused by the defalcation, mismanagement, or fraud of the agents or officers controlling and managing ~~the same~~, and for ~~this purpose~~ the fund. The auditor of state shall prescribe such regulations adopt rules for those officers as ~~may be necessary to ascertain~~ such the losses.

Sec. 15. Section 302.15, Code 1983, is amended to read as follows:

302.15 MANAGEMENT. ~~All property~~ Property and money ~~hereafter~~ accrued to the permanent school fund shall be managed and controlled by the state treasurer of state, and he ~~shall be~~ the treasurer of state is responsible for the safekeeping, investment, reinvestment and disbursement of the ~~same~~ property and money.

Sec. 16. Section 302.16, Code 1983, is amended to read as follows:

302.16 ACTIONS. ~~All actions~~ Actions for and in behalf of ~~said~~ the fund may be brought in the name of the state for the use of the permanent school fund, by the attorney general.

Sec. 17. Section 302.17, Code 1983, is amended to read as follows:

302.17 LIABILITY OF COUNTY. Each county ~~shall be~~ is liable for ~~all~~ losses upon loans of the permanent school fund, principal or interest, made in ~~such the~~ county, unless the loss was not occasioned by reason of ~~any~~ a default of its officers or by taking insufficient or imperfect securities, or from a failure to bid at an execution sale the full amount of the judgment and costs.

Sec. 18. Section 302.19, Code 1983, is amended to read as follows:

302.19 LOANS. The permanent school fund shall be loaned out or invested by the ~~state~~ treasurer of state as it comes into ~~his the~~ the treasurer's hands.

Sec. 19. Section 302.28, Code 1983, is amended to read as follows:

302.28 STATUTE OF LIMITATION. Lapse of time ~~shall in no case be~~ is not a bar to ~~any~~ action to recover ~~any a~~ part of the permanent school fund, ~~nor shall~~ and it does not prevent the introduction of evidence in ~~such an~~ action, except as provided in sections 614.29 to 614.38.

Sec. 20. Section 302.29, Code 1983, is amended to read as follows:

302.29 PAYMENTS. ~~All payments~~ Payments to the permanent school fund upon contracts, or loans of ~~any other another~~ nature, shall be made to the treasurer of the county upon a certificate from the auditor showing the amount due.

Sec. 21. Section 302.31, Code 1983, is amended to read as follows:

302.31 SCHOOL FUND ACCOUNT—SETTLEMENT. The auditor shall also keep ~~in his~~ office, in books to be provided for that purpose, an account to be known as the permanent school fund account, in which a memorandum of ~~all the~~ notes, mortgages, bonds, money, and assets of every kind and description which may come into ~~his the~~ the auditor's hands and those of the treasurer shall be entered, and separate accounts of principal and interest be kept; ~~and the~~. The county treasurer shall also keep a ~~like an~~ account and record of all school funds coming into ~~his the~~ the county treasurer's hands. Settlements of ~~such the~~ account shall be made with the board of supervisors at its January and June sessions, ~~which and the~~ settlements shall be recorded with the proceedings of the board.

Sec. 22. Section 302.32, Code 1983, is amended to read as follows:

302.32 NOTICE OF DEFAULT. When outstanding contracts for the sale of school lands or notes for money of the permanent school fund loaned, or interest ~~thereon on the~~ permanent school fund, are due, the auditor shall by mail at once notify the debtor to make payment thereof within three months.

Sec. 23. Section 302.34, Code 1983, is amended to read as follows:

302.34 BID AT EXECUTION SALE. Upon a sale of lands under an execution founded upon a permanent school fund claim or right, the auditor shall bid ~~such a~~ sum as required by the interests of the fund require, and, if struck off to the state, it shall be thereafter treated ~~in all~~ respects the same as other lands belonging to ~~said~~ the fund.

Sec. 24. Section 302.35, Code 1983, is amended to read as follows:

302.35 SHERIFF'S DEED TO STATE. When lands have been bid in by the county for the state under foreclosure of permanent school fund mortgages and the time for redemption has expired, a sheriff's deed shall be issued to the state for the use and benefit of the permanent school fund. The county auditor shall file the ~~said~~ deed for record in the office of the county recorder who shall record the ~~same deed~~ without fee and return ~~the same it~~ when recorded to the county auditor who shall then forward ~~the same it~~ to the secretary of state. The secretary of state shall record the ~~said deed in his records~~ and then file ~~the same it~~ with the state comptroller.

Sec. 25. Section 302.38, Code 1983, is amended to read as follows:

302.38 EXCESS—LOSS BORNE BY COUNTY. ~~Any An~~ excess over the amount of the unpaid portion of the principal, costs of foreclosure, and interest on the principal ~~as above provided~~, shall inure to the county and be credited to the general county fund. If the lands ~~shall be~~ are sold for a less amount than the unpaid portion of the principal, the loss shall be sus-

tained by the county, and the board of supervisors shall at once order the amount of such the loss transferred from the general fund or temporary school fund of the county to the permanent school fund account.

Sec. 26. Section 302.39, Code 1983, is amended to read as follows:

302.39 REPORT AS TO SALES—INTEREST. County auditors shall report, on or before the first day of January 1 of each year, report to the state comptroller the amount of all the sales and resales made during the year previous year, of the sixteenth section, five-hundred-thousand-acre grant, escheat estates, and lands taken under foreclosure of permanent school fund mortgages, and the state comptroller shall charge the same them to the counties with interest from the date of such sale or resale to January 1, at the rate of three percent per annum.

Sec. 27. Section 302.42, Code 1983, is amended to read as follows:

302.42 REPORT AS TO RENTS. County By January 1 of each year, county auditors shall, upon the first day of January of each year, report to the state comptroller the amount of rents collected during the preceding year on unsold school lands and lands taken under foreclosure of permanent school fund mortgages then in the hands of the county treasurer, and the state comptroller shall include the amount so reported in his the semiannual apportionment of interest.

Sec. 28. Section 302.44, Code 1983, is amended to read as follows:

302.44 PENALTY AGAINST COUNTY AUDITOR. Any A county auditor failing or neglecting to perform any of the required duties which are required of him by the provisions of under this chapter, shall be is liable to a penalty of not less than one hundred nor more than five hundred dollars, to be recovered in an action brought in the district court by the board of supervisors, the. The judgment to shall be entered against the party and his the party's bondsmen, and the proceeds to go to the school fund shall be paid to the treasurer of state for deposit in the general fund of the state.

Sec. 29. Section 331.502, subsection 50, Code 1983, is amended to read as follows:

50. In the case of For payment of a permanent school fund mortgage, acknowledge satisfaction of the mortgage by execution of a written instrument referring to the mortgage as provided in section 655.1.

Sec. 30. Section 331.509, subsection 1, paragraph o, Code 1983, is amended to read as follows:

o. The reports of magistrates and other officers, including forfeited recognizances in their offices, fines, penalties, forfeitures imposed in their respective courts, and forfeited appearance bonds in criminal cases, all of which are payable to the county treasury for the benefit of the school fund treasurer of state to be deposited in the general fund of the state.

Sec. 31. Section 331.552, subsection 11, Code 1983, is amended by striking the subsection.

Sec. 32. Section 331.552, subsection 20, Code 1983, is amended to read as follows:

20. Maintain a permanent school fund account and records of school funds received as provided in section 302.31.

Sec. 33. Section 360.3, Code 1983, is amended to read as follows:

360.3 TRANSFER OF FUND. When there are funds in the hands of any a township clerk, raised under the provisions of this chapter which are not desired for the purposes for which they were raised, the funds may be transferred to the school general fund of any a school district or districts pro rata wherein same was in which the funds were raised, when a petition is presented to the trustees, signed by a majority of the qualified electors of said the township, as shown by the election register or registers of the last preceding primary or general election held in said the township, said. The transfer of funds to shall be made by the township clerk upon order of the trustees after the filing of said the petition with said the clerk.

Sec. 34. Section 442.3, Code 1983, 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~~ Except as otherwise provided in this section, 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 years beginning July 1, 1980, July 1, 1981, and July 1, 1982, the state foundation base shall be the same as the state foundation base for the school year beginning July 1, 1979. For the school year beginning July 1, 1984, the state foundation base is eighty percent of the state cost per pupil if the estimate of the ending fund balance of the state general fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985, as estimated by the state comptroller in January, 1984, is equal to or greater than thirty million dollars. 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. 35. Section 442.4, Code 1983, is amended by adding the following new subsection after subsection 3:

NEW SUBSECTION. 3A. For the school year beginning July 1, 1984 and each subsequent school year, if a school district's basic enrollment for the budget year is larger than its budget enrollment for the budget year, the district shall use its basic enrollment for the budget year in lieu of its budget enrollment for the budget year for computations required in this chapter.

Sec. 36. Section 442.4, subsection 4, Code 1983, is amended by striking the subsection and inserting in lieu thereof the following:

4. For the school year beginning July 1, 1984 and each succeeding school year, if an amount equal to the district cost per pupil for the budget year minus the amount included in the district cost per pupil for the budget year to compensate for the cost of special education support services for a school district for the budget year times the budget enrollment of the school district for the budget year is less than one hundred two percent times an amount equal to the district cost per pupil for the base year minus the amount included in the district cost per pupil for the base year to compensate for the cost of special education support services for a school district for the base year times the budget enrollment for the school district for the base year, the state comptroller shall increase the budget enrollment for the school district for the budget year to a number which will provide that one hundred two percent amount.

Sec. 37. Section 442.7, subsection 5, Code 1983, is amended by striking the subsection and inserting in lieu thereof the following:

5. Notwithstanding subsections 1 through 4, for the school year beginning July 1, 1984, if the estimate of the ending fund balance of the state general fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985, as estimated by the state comptroller in January, 1984, is equal to or greater than thirty million dollars and the state foundation base increases to eighty percent pursuant to section 442.3, the state percent of growth, including the recomputations required under subsection 4, is six and two-tenths percent.

Sec. 38. Section 442.7, subsection 7, Code 1983, is amended by adding the following new paragraph:

NEW PARAGRAPH. For the budget school year beginning July 1, 1984, by adding to the basic allowable growth per pupil for the budget year an amount not to exceed the amount of moneys received by a school district under section 302.3 during the school year beginning July 1, 1982 and ending June 30, 1983, as certified by the board of directors to the state comptroller.

Sec. 39. Section 442.9, subsection 1, paragraph a, Code 1983, is amended to read as follows:

a. As used in this chapter, "district cost per pupil" for the school year beginning July 1, 1975, and subsequent school years means district cost per pupil in weighted enrollment. The district cost per pupil for the budget year is equal to the district cost per pupil for the base

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

Sec. 40. Section 442.8, unnumbered paragraph 2, Code 1983, is amended to read as follows:

However, for the budget years beginning July 1, 1980, July 1, 1982, and July 1, 1983, and July 1, 1984, 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, 1982, and July 1, 1983, and July 1, 1984, the adjustment to the state cost per pupil is twenty dollars per pupil, thirteen dollars per pupil, and eight dollars per pupil, and eight dollars per pupil, respectively.

Sec. 41. Section 442.26, unnumbered paragraph 2, Code 1983, is amended by striking the unnumbered paragraph and inserting in lieu thereof the following:

All state aids paid under this chapter, unless otherwise stated, shall be paid in monthly installments beginning on September 15 of a budget year and ending on June 15 of the budget year and the installments shall be as nearly equal as possible as determined by the state comptroller, taking 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 monthly installments beginning on December 15 and ending on June 15 of a budget year and state aids paid to school districts under section 442.38 shall be paid in monthly installments beginning on February 15 and ending on June 15 of a budget year.

Sec. 42. Section 442.39, unnumbered paragraph 1, Code 1983, is amended to read as follows:

In order to provide additional funds for school districts which send their resident pupils to another school district or to an area school for classes, which jointly employ and share the services of teachers under section 280.15, or which use the services of a teacher employed by another school district, a supplementary weighting plan for determining enrollment is adopted as follows:

Sec. 43. Section 442.39, subsection 2, Code 1983, is amended to read as follows:

2. Pupils attending classes in another school district or an area school, attending classes taught by a teacher who is employed jointly under section 280.15, or attending classes taught by a teacher who is employed by another school district, are assigned a weighting of one plus one-tenth times the percent of the pupil's school day during which the pupil attends classes in another district or area school, attends classes taught by a teacher who is jointly employed under section 280.15, or attends classes taught by a teacher who is employed by another school district.

Sec. 44. **NEW SECTION. 442.45 PROGRAMS FOR RETURNING DROPOUTS.** For the school year beginning July 1, 1984 and succeeding school years, boards of school districts, individually or jointly with boards of other school districts, requesting to use additional allowable growth for programs for returning dropouts, may annually submit comprehensive program plans for the programs and budget costs, including requests for additional allowable growth for funding the programs, to the department of public instruction as provided in this chapter. In addition to the requirements for program plans listed in section 442.32, the program plans shall include:

1. A provision for dropout prevention and integration of dropouts into the educational program of the district.
2. A provision for identifying dropouts.
3. A program for returning dropouts.

Program plans for dropouts shall identify the parts of the plan that will be implemented



first upon approval of the application. If a district is requesting to use additional allowable growth to finance the program, it shall not identify more than five percent of its budget enrollment for the budget year as returning dropouts.

Sec. 45. NEW SECTION. 442.46 DEFINED. "Returning dropouts" are resident pupils who have been enrolled in a public or nonpublic school in any of grades seven through twelve who withdrew from school for a reason other than transfer to another school or school district and who subsequently enrolled in public school in the district.

Sec. 46. NEW SECTION. 442.47 PLANS FOR RETURNING DROPOUTS. The board of directors of a school district requesting to use additional allowable growth for programs for returning dropouts shall submit applications for approval for the programs to the department not later than November 1 preceding the fiscal year during which the program will be offered. The department shall review the program plans and shall prior to January 15 either grant approval for the program or return the request for approval with comments of the department included. An unapproved request for a program may be resubmitted with modifications to the department not later than February 1. Not later than February 15, the department shall notify the state comptroller and the school budget review committee of the names of the school districts for which the programs using additional allowable growth for funding have been approved and the approved budget of each program listed separately for each school district having an approved program.

Sec. 47. NEW SECTION. 442.48 FUNDING FOR PROGRAMS FOR RETURNING DROPOUTS. The budget of an approved program for returning dropouts 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 442.7. Annually, the state comptroller shall establish a modified allowable growth for each such district equal to the difference between the approved budget for the program for returning dropouts 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. 48. Section 508.15, Code 1983, is amended to read as follows:

508.15 VIOLATION BY FOREIGN COMPANY. Companies organized and chartered by the laws of a foreign state or country, failing to file the evidence of investment and statement within the time fixed, shall forfeit and pay the sum of three hundred dollars, to be collected in an action in the name of the state for the use of the school fund and paid to the treasurer of state for deposit in the general fund of the state, and their right to transact further new business in this state shall immediately cease until the requirements of this chapter have been fully complied with.

Sec. 49. Section 511.7, Code 1983, is amended to read as follows:

511.7 RECOVERY OF PENALTIES. Actions brought to recover any of the penalties provided for in this chapter shall be instituted in the name of the state by the county attorney of the county, under the direction and authority of the commissioner of insurance, and may be brought in the district court of any county in which the company or association proceeded against is engaged in the transaction of business, or in which the offending person resides, if it is against ~~him~~ the person. The penalties, when recovered, shall be paid ~~into the state treasury for the use of the school fund~~ to the treasurer of state for deposit in the general fund of the state.

Sec. 50. Section 515.93, Code 1983, is amended to read as follows:

515.93 VIOLATIONS. ~~Any A~~ violation of the ~~provisions~~ of sections 515.91 and 515.92 shall for the first offense subject the company, association, or individual guilty thereof to a penalty of five hundred dollars, to be recovered in the name of the state, with costs, in an action in-

stituted by the county attorney, either in the county in which the company, association, or individual is located or transacts business, or in the county where the offense is committed, and ~~such the~~ penalty, when recovered, shall be paid into the school fund of the county in which ~~action is brought to the~~ treasurer of state for deposit in the general fund of the state. Every subsequent violation of ~~said the sections shall subject~~ subjects the company, association, or individual to a penalty of one thousand dollars, to be sued for, recovered, and disposed of in like manner.

Sec. 51. Section 534.12, subsection 4, Code 1983, is amended to read as follows:

4. REDEMPTION. ~~At any time~~ When funds are on hand for the purpose, the association shall have the right to ~~may~~ redeem by lot or otherwise, as the board of directors may ~~determine~~ determines, all or any part of any of its savings accounts on a dividend date by giving thirty days' notice by registered mail addressed to the account holders at their last addresses recorded on the books of the association. An association shall not redeem any of its share accounts when the association is in an impaired condition or when it has applications for withdrawal which have been on file more than thirty days and have not been reached for payment. The redemption price of a savings account shall be the full value of the account redeemed, as determined by the board of directors, but ~~in no event shall~~ the redemption value shall not be less than the withdrawal value. If the notice of redemption has been given, and if on or before the redemption date the funds necessary for the redemption have been set aside so as to be ~~and continue to be~~ available for redemptions, dividends upon the accounts called for redemption shall cease to accrue from and after the dividend date specified as the redemption date, and ~~all~~ rights with respect to those accounts shall terminate as of the redemption date, subject only to the right of the account holder of record to receive the redemption value without interest. ~~All savings~~ Savings accounts which have been validly called for redemption must be tendered for payment within ten years from the date of redemption designated in the redemption notice, or they shall be canceled and forfeited ~~for the use of the school fund of the county in which the association has its principal place of business~~ paid to the treasurer of state for deposit in the general fund of the state and all claims of the account holders against the association shall be ~~are~~ barred forever. Redemption shall not be made of any savings accounts which are held by a person who is a director and which are necessary to qualify the person to act as director.

Sec. 52. Section 535.5, Code 1983, is amended to read as follows:

535.5 PENALTY FOR USURY. If it ~~shall be~~ is ascertained in ~~any an~~ action brought on ~~any a~~ contract that a rate of interest has been contracted for, directly or indirectly, in money or in property, greater than is authorized by this chapter, the ~~same rate~~ shall work a forfeiture of eight cents on the hundred by the year upon the amount of the principal remaining unpaid upon ~~such the~~ contract at the time judgment is rendered thereon, and the court shall enter final judgment in favor of the plaintiff and against the defendant for the principal sum so remaining unpaid without costs, and also against the defendant and in favor of the state, ~~for the use of the school fund of the county in which the action is brought to be paid to the treasurer of state for deposit in the general fund of the state,~~ for the amount of the forfeiture; ~~and in no case where.~~ If unlawful interest is contracted for ~~shall~~ the plaintiff shall not have judgment for more than the principal sum, whether the unlawful interest ~~be~~ is incorporated with the principal or not.

Sec. 53. Section 586.1, subsection 4, Code 1983, is amended to read as follows:

4. Acknowledgments of deeds, mortgages, permanent school fund mortgages and contracts taken and certified before 1970 by any county auditor, deputy county auditor, or deputy clerk of the district court although such officer was not authorized to take ~~such the~~ acknowledgments at the time they were taken.

Sec. 54. Section 595.11, Code 1983, is amended to read as follows:

595.11 NONSTATUTORY SOLEMNIZATION—FORFEITURE. Marriages solemnized,

with the consent of parties, in any other manner other than as herein that prescribed in this chapter, are valid; but the parties thereto, and all persons aiding or abetting them, shall forfeit to the school pay to the treasurer of state for deposit in the general fund of the state the sum of fifty dollars each; but this shall not apply to the person conducting the marriage ceremony, if within fifteen days thereafter he the person makes the required return to the clerk of the district court.

Sec. 55. Section 602.55, Code 1983, is amended to read as follows:

602.55 FUNDS, REPORTS. Each month each judicial magistrate and district associate judge shall file with the clerk of the district court of the proper county a sworn, itemized statement of all cases disposed of and all funds received and disbursed per case, and at least monthly shall remit to the clerk all funds received. The clerk shall provide adequate clerical assistance to judicial magistrates and district associate judges to carry out this section. The clerk shall remit ninety percent of all fines and forfeited bail received from a magistrate or district associate judge to the city that was the plaintiff in any action, shall remit to the city ninety percent of all fines and forfeited bail received for improper use of handicapped parking spaces in violation of section 601E.6, subsection 2, when the violations occurred within the city, shall remit all fines and forfeited bail received from a magistrate or district associate judge for violation of a county ordinance except an ordinance relating to vehicle speed or weight restrictions, to the county treasurer of the county that was the plaintiff in any action for deposit in the general fund of the county, and shall provide that city or county with a statement showing the total number of the cases, the total of all fines and forfeited bail collected and the total of all cases dismissed. However, if a county ordinance provides a penalty for a violation which is also penalized under state law, all fines and forfeited bail collected for the violation of that ordinance shall be deposited paid to the treasurer of state for deposit in the school general fund of the state. The clerk shall remit the remaining ten percent of city fines and forfeited bail to the county treasurer for deposit in the county general fund. The clerk shall remit to the treasurer of the county state, for the benefit of the school deposit in the general fund of the state, all other fines and forfeited bail received from a magistrate. All fees and costs for the filing of a complaint or information or upon forfeiture of bail received from a magistrate shall be remitted monthly by the clerk as follows:

1. One-half to the treasurer of state to be credited to the general fund of the state.
2. One-third to the county treasurer to be credited to the general fund of the county.
3. One-sixth to the treasurer of state to be credited to the judicial retirement fund created in section 605A.4.

Sec. 56. Section 633.545, Code 1983, is amended to read as follows:

633.545 SALE—PROCEEDS. If within six months from the giving of such notice, no a claimant thereof appears, such does not appear, the property may be sold and the proceeds paid over by the personal representative to the state comptroller for the benefit of the permanent school fund.

Sec. 57. Section 644.15, Code 1983, is amended to read as follows:

644.15 PROCEEDS—FORFEITURE. The net proceeds of all sales made by the sheriff, and all money or bank notes paid over to the county treasurer, as directed in this chapter, shall remain in the hands of the county treasurer in trust for the owner, if any such shall apply the owner applies within one year from the time the same shall proceeds, moneys, or bank notes would have been paid over; but, However, if no owner shall appear appears within such that time, the money proceeds, moneys, or bank notes shall be forfeited, and the claim of the owner thereto is forever barred, in which event the money shall remain in the county treasury for the use of the common schools in said county be paid to the treasurer of state for deposit in the general fund of the state.

Sec. 58. Section 666.3, Code 1983, is amended to read as follows:

666.3 FINES AND FORFEITURES. All fines Fines and forfeitures, after deducting

~~therefrom~~ court costs, court expenses collectible through the clerk of the court, and fees of collection, if any, and not otherwise disposed of, shall ~~go into the treasury of the county where the same are collected for the benefit of the school fund~~ be paid to the treasurer of state for deposit in the general fund of the state.

Sec. 59. Section 666.6, unnumbered paragraph 1, Code 1983, is amended to read as follows:

~~The~~ Not later than January 15 of each year, the clerk of district court shall make an annual report in writing to the board of supervisors at the first regular meeting of the board in January ~~treasurer of state~~ of all forfeited recognizances in the clerk's office; of all fines, penalties, and forfeitures imposed in the district court, which by law go into the county treasury for the benefit of the school fund ~~are paid to the treasurer of state for deposit in the general fund of the state;~~ in what cause or proceeding, when and for what purpose, against whom and for what amount, rendered; whether the fines, penalties, forfeitures, and recognizances have been paid, remitted, canceled, or otherwise satisfied; if so, when, how, and in what manner, and if not paid, remitted, canceled, or otherwise satisfied, what steps have been taken to enforce the collection of the fines, penalties, forfeitures and recognizances. However, the report shall only contain information not already reported on a monthly basis.

Sec. 60. Notwithstanding section 442.7, subsection 7, paragraph a, if the state cost per pupil for the budget year beginning July 1, 1984 exceeds the district cost per pupil for the budget year beginning July 1, 1984, the basic allowable growth per pupil for the budget year shall equal one hundred percent of the product of the state cost per pupil for the base year times the state percent of growth for the budget year.

Sec. 61. Sections 127.22, 302.3, and 302.24, Code 1983, are repealed.

Sec. 62. Sections 4 through 8 and section 41 of this Act take effect July 1, 1983. Sections 1, 2, 3, 9 through 33, and 48 through 59 and 61 take effect July 1, 1984. The remaining sections of this Act take effect July 1, 1983 for computations required for payment of state aid and levying of property taxes under the state school foundation program for the school year beginning July 1, 1984.

Approved June 8, 1983