

257.1 State school foundation program — state aid.

1. *Program established.* A state school foundation program is established for the school year commencing July 1, 1991, and succeeding school years.

2. *State school foundation aid — foundation base.*

a. For a budget year, each school district in the state is entitled to receive foundation aid, in an amount per pupil equal to the difference between the amount per pupil of foundation property tax in the district, and the combined foundation base per pupil or the combined district cost per pupil, whichever is less. However, if the amount of foundation aid received by a school district under [this chapter](#) is less than three hundred dollars per pupil, the district is entitled to receive three hundred dollars per pupil unless the receipt of three hundred dollars per pupil plus the per pupil amount raised by the foundation property tax exceeds the combined district cost per pupil of the district for the budget year. In that case, the district is entitled to receive an amount per pupil equal to the difference between the per pupil amount raised by the foundation property tax for the budget year and the combined district cost per pupil for the budget year.

b. For the budget year commencing July 1, 1999, and for each succeeding budget year beginning before July 1, 2022, the regular program foundation base per pupil is eighty-seven and five-tenths percent of the regular program state cost per pupil. For the budget year commencing July 1, 2022, and for each succeeding budget year, the regular program foundation base per pupil is eighty-eight and four-tenths percent of the regular program state cost per pupil. For the budget year commencing July 1, 1991, and for each succeeding budget year the special education support services foundation base is seventy-nine percent of the special education support services state cost per pupil. The combined foundation base is the sum of the regular program foundation base, the special education support services foundation base, the total teacher salary supplement district cost, the total professional development supplement district cost, the total early intervention supplement district cost, the total teacher leadership supplement district cost, and the total area education agency teacher salary supplement district cost.

3. *Computations rounded.* In making computations and payments under [this chapter](#), except in the case of computations relating to funding of special education support services, media services, and educational services under [section 257.37](#), and the teacher salary supplement, the professional development supplement, the early intervention supplement, and the teacher leadership supplement, the department of management shall round amounts to the nearest whole dollar.

4. *Legislative review.* The provisions of [this chapter](#) shall be subject to legislative review at least every five years. The review shall be based upon a school finance formula status report containing the recommendations of a legislative interim committee appointed to conduct a review of the school finance formula, to be prepared with the assistance of the department of education, in association with the departments of management and revenue. The report shall include recommendations for school finance formula changes or revisions based upon demographic changes, enrollment trends, and property tax valuation fluctuations observed during the preceding five-year interval; an analysis of the operation of the school finance formula during the preceding five-year interval; and a summary of issues that have arisen since the previous review and potential approaches for their resolution. The first such report shall be submitted to the general assembly no later than January 1, 2005, with subsequent reports developed and submitted by January 1 at least every fifth year thereafter.

[89 Acts, ch 135, §1; 91 Acts, ch 267, §517; 95 Acts, ch 130, §1; 96 Acts, ch 1197, §5, 6; 99 Acts, ch 2, §1, 4; 99 Acts, ch 178, §1, 10; 2000 Acts, ch 1186, §2; 2003 Acts, ch 145, §286; 2008 Acts, ch 1181, §93, 94; 2013 Acts, ch 121, §49, 50; 2016 Acts, ch 1036, §3; 2021 Acts, ch 177, §121; 2024 Acts, ch 1002, §23, 24, 37, 38](#)

Referred to in [§257.3, 257.4, 257.12, 257.15, 257.16B, 257.16D, 257.34](#)

2024 amendments to section apply July 1, 2024, for school budget years beginning on or after that date; 2024 Acts, ch 1002, §38

Subsection 2, paragraph b amended

Subsection 3 amended