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**HF 228** – Open Enrollment Equality, School District Diversity Plans (LSB1045HV)  
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Fiscal Note Version – New

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### **Description**

[House File 228](#) repeals school district voluntary diversity plans set in place in FY 2009 and disallows denial of open enrollment based on those plans. The Bill also eliminates provisions directing the State Board of Education to adopt rules and guidelines for districts with voluntary diversity plans and removes requirements for the Department of Education (DE) to provide technical assistance to the school districts with voluntary diversity plans in place. The Bill is effective July 1, 2021.

### **Background**

Voluntary diversity plans were enacted after changes made by the U.S. Supreme Court's ruling in [Parents Involved in Community Schools v. Seattle School District No. 1](#), 551 U.S. 701 (2007). A voluntary diversity plan had to be adopted by the school district within a certain time frame, could only concern a limited number of factors, and could not use race as a factor.

Five Iowa school districts currently have voluntary diversity plans, with three districts using socioeconomic status (Davenport Community Schools, Des Moines Public Schools, and Waterloo Community School District) and two districts (West Liberty Community School District and Postville Community School District) using English language learner (ELL) status as their metrics for denying open enrollment. There are no districts in Iowa currently under a court-ordered desegregation plan.

### **Assumptions**

- Affected school districts will allow open enrollment out of the district for students who previously had been denied open enrollment under voluntary diversity plans.
- Districts that previously adopted a voluntary diversity plan will have an increased amount of open enrollment out, equal to the number of the previous year's requests denied due to the diversity plan.
- Affected districts may have a number of open enrollment requests similar to the number they had during recent school years, as reported to the Urban Education Network of Iowa.
- The open enrollment window for pupils entering grades 1 through 12 for FY 2022 closes on March 1, 2021; the first year affecting school districts will be FY 2023. The deadline for open enrollment for pupils entering kindergarten is September 1, 2021, and the changes may impact FY 2022 program costs for the pupils' resident districts.
- The estimated fiscal impact averages the FY 2018 and FY 2019 survey data.

### **Fiscal Impact**

House File 228 has no fiscal impact to the State. Districts that have denied previous open enrollment requests based on the districts' voluntary diversity programs may experience a decrease in per pupil funds equal to the cost of the previous year's State cost per pupil (SCPP) and teacher leadership supplement, as well as a decrease resulting from any additional ELL weighting for the applicable pupils. The following table shows the possible fiscal impact by

district based on survey information from previous school years' open enrollment survey data. The data has been averaged where applicable.

**Fiscal Impact to School Districts Due to Increased Open Enrollment — HF 228**

	Est. Number of New Open Enrollment Out of Resident District	Open Enrollment Funds Per Student**	Estimate of Total Funds Leaving Resident District
Davenport	106	\$ 7,389.0	\$ 783,234
Des Moines	192	7,389.0	1,418,688
Postville	2	7,389.0	14,778
Waterloo	57	7,389.0	421,173
West Liberty*	0	7,389.0	0

\* No voluntary diversity open enrollment denials for the years examined.

\*\* Open enrollment funds included the previous year's SCPP and teacher leadership categorical.

It is unknown into which districts pupils may choose to open enroll; therefore, the fiscal impact to the receiving districts cannot be determined. This estimate does not include any additional enrollments due to previously denied open enrollments from prior fiscal years. Any additional pupils previously denied under the voluntary enrollment plans from previous fiscal years who choose to open enroll may increase the fiscal impact on the resident school districts.

**Sources**

Iowa Association of School Boards  
 Iowa Department of Education  
 Urban Education Network of Iowa  
 LSA calculations

/s/ Holly M. Lyons

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) 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.