Description

House File 360 adds information technology specialist to the list of operational functions and job positions eligible for a supplementary weighting in the school aid formula and defines that position. By operation of Iowa Code section 257.11(5)(b)(1), an information technology specialist is assigned a supplementary weighting of four pupils under the Bill.

The Bill takes effect upon enactment. The provisions would apply to the school budget year beginning in FY 2024. The first year of funding would begin in FY 2025, subject to the limitation of Iowa Code section 257.11(5), which sunsets the availability of supplementary weighting following the school budget year beginning July 1, 2034 (FY 2035).

Background

Pursuant to Iowa Code section 257.11, in order to provide additional funding to increase student opportunities and redirect resources to student programming that share operational functions, a school district or Area Education Agency (AEA) that shares with another political subdivision one or more specified operational functions is assigned a supplementary weighting for each shared operational function.

Iowa Code section 257.11(5) allows for supplementary weighting for school districts and AEAs that share Iowa Code-specified job positions for at least 20.0% of the school year. Supplementary weighting under this provision is available through FY 2035. For more information on shared operational functions, see the Issue Review School Aid — Supplementary Weightings.

Iowa Code section 257.11(5)(d) limits the maximum amount of additional weighting for a school district to 21 additional pupils per year. The additional weighting will no longer be available after FY 2035.

Based on preliminary FY 2024 data, of the 325 school districts, 77 school districts have maxed out on their 21-pupil additional weightings and 248 school districts are utilizing fewer, including 36 school districts that are not currently participating in operational sharing, and 32 school districts that are eligible to receive partial weightings.

Assumptions

- Funding for eligible school districts will begin in FY 2025 and end in FY 2035.
- Any legislative changes to the State cost per pupil (SCPP) will alter the fiscal impact provided.
- If a school district is not utilizing a weighting, it will not utilize the additional weighting authorized by the Bill.
- Due to the scope of the position, an AEA will not enter into a sharing agreement for this operational function.
- The SCPP will remain $7,635.
• For estimation purposes, it is assumed that 20.0% of school districts using additional weighting will utilize all of the additional weighting authorized by the Bill, subject to the overall cap.
• The FY 2024 SCPP is $7,635 with $6,749 funded from the State General Fund, $201 funded from Property Tax Replacement Payments (PTRP) funded from the State General Fund, and $685 funded from local property tax.

Fiscal Impact
House File 360 is estimated to increase the operational function sharing supplementary weighting for information technology specialists by a total of 157 pupils for 42 school districts at a total annual cost of $1.2 million beginning with FY 2025 and ending with FY 2035. The estimated increase will be funded with approximately $1.1 million from the State General Fund and $107,000 from local property tax through the school aid formula.

Sources
Department of Education
Iowa Association of School Boards
Department of Management
Legislative Services Agency analysis and calculations

/s/ Jennifer Acton
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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.

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