



KIM REYNOLDS
GOVERNOR

OFFICE OF THE GOVERNOR

ADAM GREGG
LT GOVERNOR

February 19, 2019

The Honorable Paul Pate
Secretary of State of Iowa
State Capitol
Des Moines, Iowa 50319

Dear Mr. Secretary,

I hereby transmit:

House File 306, an Act relating to public school funding by establishing the state percent of growth and the categorical state percent of growth for the budget year beginning July 1, 2019, modifying provisions relating to the property tax replacement payments, and including effective date provisions.

The above House File is hereby approved on this date.

Sincerely,

A handwritten signature in black ink that reads "Kim Reynolds".

Kim Reynolds
Governor of Iowa

cc: Secretary of the Senate
Clerk of the House



House File 306

AN ACT

RELATING TO PUBLIC SCHOOL FUNDING BY ESTABLISHING THE STATE PERCENT OF GROWTH AND THE CATEGORICAL STATE PERCENT OF GROWTH FOR THE BUDGET YEAR BEGINNING JULY 1, 2019, MODIFYING PROVISIONS RELATING TO THE PROPERTY TAX REPLACEMENT PAYMENTS, AND INCLUDING EFFECTIVE DATE PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 257.8, subsections 1 and 2, Code 2019, are amended to read as follows:

1. *State percent of growth.* ~~The state percent of growth for the budget year beginning July 1, 2016, is two and twenty-five hundredths percent.~~ The state percent of growth for the budget year beginning July 1, 2017, is one and eleven hundredths percent. The state percent of growth for the budget year beginning July 1, 2018, is one percent. The state percent of growth for the budget year beginning July 1, 2019, is two and six hundredths percent. The state percent of growth for each subsequent budget year shall be established by statute which shall be enacted within thirty days of the transmission of the governor's budget required by February 1 under section 8.21 during the regular legislative session beginning in the base year.

2. *Categorical state percent of growth.* ~~The categorical state percent of growth for the budget year beginning July 1, 2016, is two and twenty-five hundredths percent.~~ The categorical state percent of growth for the budget year

beginning July 1, 2017, is one and eleven hundredths percent. The categorical state percent of growth for the budget year beginning July 1, 2018, is one percent. The categorical state percent of growth for the budget year beginning July 1, 2019, is two and six hundredths 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 transmission of the governor's budget required by February 1 under section 8.21 during the regular legislative session beginning in the base year. The categorical state percent of growth may include state percents of growth for the teacher salary supplement, the professional development supplement, the early intervention supplement, and the teacher leadership supplement.

Sec. 2. Section 257.16B, subsection 1, Code 2019, is amended to read as follows:

1. For each fiscal year beginning on or after July 1, ~~2013~~ 2017, there is appropriated from the general fund of the state to the department of education an amount necessary to make all school district property tax replacement payments under this section, as calculated in subsection 2.

Sec. 3. Section 257.16B, subsection 2, paragraphs a, b, c, and d, Code 2019, are amended by striking the paragraphs.

Sec. 4. Section 257.16B, subsection 2, paragraph f, unnumbered paragraph 1, Code 2019, is amended to read as follows:

For ~~each~~ the budget year beginning ~~on or after~~ July 1, 2018, the department of management shall calculate for each school district all of the following:

Sec. 5. Section 257.16B, subsection 2, paragraph f, subparagraph (3), Code 2019, is amended to read as follows:

(3) The amount of each school district's property tax replacement payment. Each school district's property tax replacement payment equals the school district's weighted enrollment for the budget year beginning July 1, 2018, multiplied by the remainder of the amount calculated for the school district under subparagraph (2) minus the amount calculated for the school district under subparagraph (1).

Sec. 6. Section 257.16B, subsection 2, Code 2019, is amended

by adding the following new paragraph:


NEW PARAGRAPH. *g.* For each budget year beginning on or after July 1, 2019, the department of management shall calculate for each school district all of the following:

(1) The regular program state cost per pupil for the budget year beginning July 1, 2012, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1.

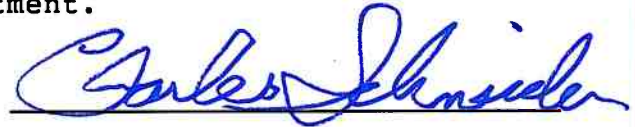
(2) The regular program state cost per pupil for the budget year beginning July 1, 2019, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1.

(3) The amount of each school district's property tax replacement payment. Each school district's property tax replacement payment equals the school district's weighted enrollment for the budget year multiplied by the remainder of the amount calculated for the school district under subparagraph (2) minus the amount calculated for the school district under subparagraph (1).

Sec. 7. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.




LINDA UPMEYER
Speaker of the House



CHARLES SCHNEIDER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 306, Eighty-eighth General Assembly.



CARMINE BOAL
Chief Clerk of the House

Approved February 19th, 2019



KIM REYNOLDS
Governor