



KIM REYNOLDS
GOVERNOR

OFFICE OF THE GOVERNOR

ADAM GREGG
LT GOVERNOR

February 17, 2022

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

Dear Mr. Secretary,

I hereby transmit:

House File 2316, 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, 2022, modifying provisions relating to the regular program state cost per pupil, modifying provisions relating to the property tax replacement payment and the transportation equity 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 2316

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, 2022, MODIFYING PROVISIONS RELATING TO THE REGULAR PROGRAM STATE COST PER PUPIL, MODIFYING PROVISIONS RELATING TO THE PROPERTY TAX REPLACEMENT PAYMENT AND THE TRANSPORTATION EQUITY 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 2022, are amended to read as follows:

1. *State percent of growth.* ~~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 the budget year beginning July 1, 2020, is two and three-tenths percent. The state percent of growth for the budget year beginning July 1, 2021, is two and four-tenths percent.~~ The state percent of growth for the budget year beginning July 1, 2022, is two and one-half 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, 2019, is two and six hundredths percent.~~ The categorical state percent of growth for the budget year beginning July 1, 2020, is two and three-tenths percent. The categorical state percent of growth for the budget year beginning July 1, 2021, is two and four-tenths percent. The categorical state percent of growth for the budget year beginning July 1, 2022, is two and one-half 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, the teacher leadership supplement, and for budget years beginning on or after July 1, 2020, transportation equity aid payments under section 257.16C.

Sec. 2. Section 257.9, subsection 2, Code 2022, is amended to read as follows:

2. Regular program state cost per pupil for 1992-1993 and succeeding years.

a. For the budget year beginning July 1, 1992, and succeeding budget years beginning before July 1, 2018, the regular program state cost per pupil for a budget year is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year.

b. For the budget year beginning July 1, 2018, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus five dollars.

c. For the budget year beginning July 1, 2019, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus five dollars.

d. For the budget year beginning July 1, 2020, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus ten dollars.

e. For the budget year beginning July 1, 2021, the regular

program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus ten dollars.

f. For the budget year beginning July 1, 2022, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus five dollars.

~~f.~~ g. For the budget year beginning July 1, ~~2022~~ 2023, and succeeding budget years, the regular program state cost per pupil for a budget year is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year.

Sec. 3. Section 257.16B, subsections 1 and 2, Code 2022, are amended to read as follows:

1. For each fiscal year beginning on or after July 1, ~~2019~~ 2020, 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.

~~2. a. For the budget year beginning 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 beginning July 1, 2019, 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).~~

~~b.~~ a. For the budget year beginning July 1, 2020, 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 for the budget year beginning July 1, 2020.

(2) The regular program state cost per pupil for the budget year beginning July 1, 2020, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1 for the budget year beginning July 1, 2020.

(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, 2020, 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).

~~e-~~ b. For each the budget year beginning ~~on or after~~ July 1, 2021, 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 for the budget year beginning July 1, 2021.

(2) The regular program state cost per pupil for the budget year beginning July 1, 2021, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1 for the budget year beginning July 1, 2021.

(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, 2021, 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).

c. (1) For each budget year beginning on or after July

1, 2022, the amount of each school district's property tax replacement payment shall be the product of the school district's weighted enrollment for the budget year multiplied by the per pupil property tax replacement amount for the budget year calculated under subparagraph (2).

(2) The per pupil property tax replacement amount for budget years beginning on or after July 1, 2022, is equal to the sum of one hundred fifty-three dollars plus the difference between the following:

(a) The regular program state cost per pupil for the budget year beginning July 1, 2022, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1 for the applicable budget year under this paragraph.

(b) The regular program state cost per pupil for the budget year beginning July 1, 2021, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1 for the applicable budget year under this paragraph.

Sec. 4. Section 257.16C, subsection 3, paragraph d, subparagraphs (3) and (4), Code 2022, are amended to read as follows:

(3) For the fiscal year beginning July 1, 2021, and the fiscal year beginning July 1, 2022, there is appropriated from the general fund of the state to the department of management for deposit in the transportation equity fund an amount necessary to make all transportation equity aid payments under subsection 2, to be used for the purposes of this section.

(4) For each fiscal year beginning on or after July 1, 2022 2023, there is appropriated from the general fund of the state to the department of management for deposit in the transportation equity fund the sum of the following, or so much thereof as is necessary, to be used for the purposes of this section:

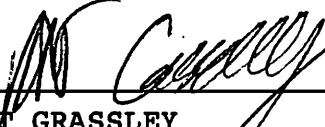
(a) The amount appropriated to the transportation equity fund under this ~~subparagraph~~ paragraph for the immediately preceding fiscal year.

(b) The product of the amount determined under subparagraph division (a) multiplied by the categorical percent of growth


under section 257.8, subsection 2, for the budget year beginning on the same date of the fiscal year for which the appropriation is made.

Sec. 5. CODE SECTION 257.8 — IMPLEMENTATION. The requirements of section 257.8, subsections 1 and 2, regarding the enactment of bills establishing the state percent of growth and the categorical state percent of growth 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, do not apply to this Act.

Sec. 6. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

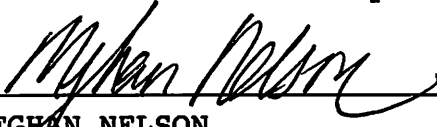


PAT GRASSLEY
Speaker of the House




JAKE CHAPMAN
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2316, Eighty-ninth General Assembly.



MEGHAN NELSON
Chief Clerk of the House

Approved Feb 17th, 2022



KIM REYNOLDS
Governor