

April 16, 1969

SENATE FILE 640

Passed on File

Schools 5-9-69, Pass per amendment 3/10

By COMMITTEE ON SCHOOLS

Passed Senate, Date 5-8-69 Passed House, Date 3-31-70

Vote: Ayes 40 Nays 8 Vote: Ayes 89 Nays 21

Approved

Passed Senate as amended by Senate and further amended by House 4-8-70
aye 50, nays 8

A BILL FOR

- 1 An Act relating to school budget hearings.
- 2 Be It Enacted by the General Assembly of the State of Iowa:
- 3 Section 1. Section twenty-four point nine (24.9), Code
- 4 1966, is hereby amended by inserting in line seventeen (17)
- 5 after the period the following:
- 6 "In lieu of separate school district budget hearings, the
- 7 board of directors of each school district in a county may
- 8 hold joint budget hearings at the same time and at the same
- 9 location within the county at a date, time and place mutually
- 10 agreeable."

4/9 Conference Committee
 Senators DeKoster, Hill, Ollenberg, and Anderson.
 4/10 Representatives Grassley, Stromer, Skow, and Schmeiser
 Senate refused to adopt 4/15

EXPLANATION OF SENATE FILE 640

The purpose of this bill is to dispense with the multiplicity of school district budget hearings and place these hearings on a county-wide basis to be held at the same time and meeting place.

4/15 2nd Conference Committee
 Senators Davis, Stephens, Griffin, and Smith
 Representatives Roode, Miller, Shroeder, and Radl
 Sen. Obermayer appointed 4/16
 Passed Senate per 2nd Conference Committee Report 4-16-70
 ayes 39, nays 14
 Passed House per 2nd Conference Committee Report 4-16-70
 ayes 93, nays 23

CORRECTED REPORT OF THE SECOND CONFERENCE
COMMITTEE
(Senate File 640)

We, the undersigned members of the second conference committee appointed to consider the difference between the Senate and the House of Representatives on Senate File 640, a bill for an Act relating to school budget hearings; the basic school tax formula and allocation of state equalization aid to public schools; establishment of certain limitations for school district expenses; provision for and program budgeting development within the individual school districts, respectfully submit the following recommendations:

1. That the Senate recede from Divisions 5, 8 and 14 of the Senate amendment.

2. That the House concur in Divisions 1, 2, 4, 10, 11, 12 and 13 of the Senate amendment.

3. Strike all of Division 3 of the Senate amendment and insert in lieu thereof the following:

"3. By striking lines 23 through 28, inclusive, and inserting in lieu thereof the following:

"The allowable growth for the year ended December 31, 1969, shall be fixed and established at fifty-three (53) dollars. This allowable growth shall be in lieu of the above computation for use in the school fiscal year beginning July 1, 1970, and ending June 30, 1971, and for that year only."

4. Strike all of Division 6 of the Senate amendment and insert in lieu thereof the following:

"6. By striking lines 93 through 113, inclusive, and inserting in lieu thereof the following:

"Sec. 8. Chapter three hundred fifty-six (356), section eight (8), Acts of the Sixty-second General Assembly is hereby repealed and the following section enacted in lieu thereof:

"The state comptroller shall compute the distribution of the moneys in the basic school tax equalization fund as follows: Distribute to each school district in the basic school tax unit its share on the basis of number of pupils in fall enrollment in the

*Adjusted
Senate 2/16
House 2/16*

district to the total number of pupils in fall enrollment for the basic school tax unit. For those districts which were limited in their expenditures by the school budget review committee for sharing of state equalization aid, there shall be deducted from their share of the distribution of the basic school tax equalization fund forty percent of such limitation; the amounts so disallowed shall be distributed to the other school districts in the basic school tax unit on the basis of the number of pupils in fall enrollment in the district to the total number of pupils in fall enrollment (exclusive of districts which were limited) for the basic school tax unit.

The amount determined by the state comptroller for each district shall be distributed by the county treasurer on the tenth day of the month following the month of collection. A report of the distribution so made shall be certified by each county treasurer to the state department of public instruction. Also, the full enrollment figure for each school district shall be compared with the average daily membership for the same school year by the state department of public instruction. In the event of substantial variance, in any school district, that district shall be called upon to explain the variance to the budget review committee, which may order a reduction in county equalization funds for the next school year immediately following the year of variances in proportion to any variances or part thereof not satisfactorily explained." "

5. Amend Division 7, by striking in line 43 of the Senate amendment the words "resident pupils" and inserting in lieu thereof "pupils resident in that district."

6. Strike Division 9 of the Senate amendment and insert in lieu thereof the following:

"9. Line 179 by inserting after the word 'inclusive' the following: 'and by inserting before the word "Each" in line 10 "Sec. 34." '."

It is further recommended that whereas it is the consensus of the conference committee that most taxpayers are not fully informed as to the source of funds available to local districts and that such information is not readily available to them in easy understandable terms, the state comptroller is hereby requested to release to the members of the General Assembly and to the news media, including all newspapers in the state, a breakdown containing for each district in the area served by such media, but not less than the county equalization unit, the following information and such other information as may be of interest:

ON A PER PUPIL BASIS—

Total income tax paid

State Equalization and Income Tax Aid

Ag-land tax credits

Personal property tax credit

Homestead exemption

Total millage (local and school house fund)

Added or decreased millage because of local budget being under or over "allowable growth"

Amount in dollars per pupil contributed to and received from the county basic equalization unit

Average Daily Membership

Proposed per pupil cost for current year

On the part of the Senate:
WILSON L. DAVIS, Chairman
RICHARD L. STEPHENS
MINNETTE DODERER
MARVIN W. SMITH

On the part of the House:
NORMAN ROORDA, Chairman
LaVERNE W. SCHROEDER
LeROY S. MILLER

Filed

April 16, 1970

REPORT OF THE SECOND CONFERENCE COMMITTEE
(Senate File 640)

We, the undersigned members of the second conference committee appointed to consider the difference between the Senate and the House of Representatives on Senate File 640, a bill for an Act relating to school budget hearings; the basic school tax formula and allocation of state equalization aid to public schools; establishment of certain limitations for school district expenses; provision for and program budgeting development within the individual school districts, respectfully submit the following recommendations:

1. That the Senate recede from Divisions 5, 8 and 14 of the Senate amendment.

2. That the House concur in Divisions 1, 2, 4, 11, 12 and 13 of the Senate amendment.

3. Strike all of Division 3 of the Senate amendment and insert in lieu thereof the following:

"3. By striking lines 23 through 28, inclusive, and inserting in lieu thereof the following:

'The allowable growth for the year ended December 31, 1969, shall be fixed and established at forty-three (43) dollars. This allowable growth shall be in lieu of the above computation for use in the school fiscal year beginning July 1, 1970, and ending June 30, 1971, and for that year only.'

4. Strike all of Division 6 of the Senate amendment and insert in lieu thereof the following:

"6. By striking lines 93 through 113, inclusive, and inserting in lieu thereof the following:

'Sec. 8. Chapter three hundred fifty-six (356), section eight (8), Acts of the Sixty-second General Assembly is hereby repealed and the following section enacted in lieu thereof:

"The state comptroller shall compute the distribution of the moneys in the basic school tax equalization fund as follows: Distribute to each school district in the basic school tax unit its share on the basis of number of pupils in fall enrollment in the district to the total number of pupils in fall enrollment for the basic school tax unit. For those districts which were limited in their expenditures by the school budget review committee for sharing of state equalization aid, there shall be deducted from their share of the distribution of the basic school tax equalization fund forty percent of such limitation; the amounts so disallowed shall be distributed to the other school districts in the basic school tax unit on the basis of the number of pupils in fall enrollment in the district to the total number of pupils in fall enrollment (exclusive of districts which were limited) for the basic school tax unit.

The amount determined by the state comptroller for each district shall be distributed by the county treasurer on the tenth day of the month following the month of collection. A report of the distribution so made shall be certified by each county treasurer to the state department of public instruction. Also, the fall enrollment figure for each school district shall be compared with the average daily membership for the same school year by the state department of public instruction. In the event of substantial variance, in any school district, that district shall be called upon to explain the variance to the budget review committee, which may order a reduction in county equalization funds for the next school year immediately following the year of variances in proportion to any variances or part thereof not satisfactorily explained." "

5. Amend Division 7, by striking in line 43 of the Senate amendment the words "resident pupils" and inserting in lieu thereof "pupils resident in that district".

6. Strike Division 9 of the Senate amendment and insert in lieu thereof the following:

"9. Line 179 by inserting after the word 'inclusive' the following:
'and by inserting before the word "Each" in line 10 "Sec. 34." .'"

7. Strike all of Division 10 of the Senate amendment and insert
in lieu thereof the following:

"10. By striking from line 197 the words 'twenty percent for'
and insert in lieu thereof the words 'twenty-five percent,' and striking
all of lines 198 through the word 'expenditure' in line 202."

It is further recommended that whereas it is the consensus
of the conference committee that most taxpayers are not fully
informed as to the source of funds available to local districts
and that such information is not readily available to them in easy
understandable terms, the state comptroller is hereby requested
to release to the members of the General Assembly and to the news
media, including all newspapers in the state, a breakdown containing
for each district in the area served by such media, but not less than
the county equalization unit, the following information and such other
information as may be of interest:

ON A PER PUPIL BASIS—

Total income tax paid

State Equalization and Income Tax Aid

Ag-land tax credits

Personal property tax credit

Homestead exemption

Total millage (local and school house fund)

Added or decreased millage because of local budget being under or over
"allowable growth"

Amount in dollars per pupil contributed to and received from the county
basic equalization unit

Average Daily Membership

Proposed per pupil cost for current year.

On part of the Senate:

WILSON L. DAVIS, Chairman

RICHARD L. STEPHENS

JAMES W. GRIFFIN, SR.

MARVIN W. SMITH

On the part of the House:

NORMAN ROORDA, Chairman

LEROY S. MILLER

LAVERNE W. SHROEDER

RICHARD M. RADL

Filed

April 15, 1970

REPORT OF THE CONFERENCE COMMITTEE
(Senate File 640)

We, the undersigned members of the conference committee appointed to consider the difference between the Senate and the House of Representatives on Senate File 640, a bill for an Act relating to school budget hearings; the basic school tax formula and allocation of state equalization aid to public schools; establishment of certain limitations for school district expenses; provision for and program budgeting development within the individual school districts, respectfully submit the following recommendations:

1. That the Senate recede from Division 8 and 14 of the Senate amendment.
2. That the House concur in Divisions 1, 2, 4, 5, 9, 11 and 13 of the Senate amendment.

3. Strike all of Division 3 of the Senate amendment and insert in lieu thereof the following:

"3. By striking lines 23 through 28, inclusive, and inserting in lieu thereof the following:

'The allowable growth for the year ended December 31, 1969, shall be fixed and established at fifty (50) dollars. This allowable growth shall be in lieu of the above computation for use in the school fiscal year beginning July 1, 1970, and ending June 30, 1971, and for that year only.'

4. Strike all of Division 6 of the Senate amendment and insert in lieu thereof the following:

"6. By striking lines 93 through 113, inclusive, and inserting in lieu thereof the following:

'Sec. 8. Chapter three hundred fifty-six (356), section eight (8), Acts of the Sixty-second General Assembly is hereby repealed and the following section enacted in lieu thereof:

"The state comptroller shall compute the distribution of the moneys in the basic school tax equalization fund as follows: Distribute to each school district in the basic school tax unit its share on the basis of number of pupils in fall enrollment in the district to the total number of pupils in fall enrollment for the basic school tax unit. For those districts which were limited in their expenditures by the school budget review committee for sharing of state equalization aid, there shall be deducted from their share of the distribution of the basic school tax equalization fund forty percent of such limitation; the amounts so disallowed shall be distributed to the other school districts in the basic school tax unit on the basis of the number of pupils in fall enrollment in the district to the total number of pupils in fall enrollment (exclusive of districts which were limited) for the basic school tax unit.

The amount determined by the state comptroller for each district shall be distributed by the county treasurer on the tenth day of the month following the month of collection. A report of the distribution so made shall be certified by each county treasurer to the state department of public instruction. Also, the fall enrollment figure for each school district shall

*Senate referred
to committee 4/15*

Senate 4

be compared with the average daily membership for the same school year by the state department of public instruction. In the event of substantial variance, in any school district, that district shall be called upon to explain the variance to the budget review committee, which may order a reduction in county equalization funds for the next school year immediately following the year of variances in proportion to any variances or part thereof not satisfactorily explained." "

5. Amend Division 7, by striking in line 43 of the Senate amendment the words "resident pupils" and inserting in lieu thereof the "pupils resident in that district."

6. Strike all of Division 10 of the Senate amendment and insert in lieu thereof the following:

"10. By striking all of line 199 after the word 'beginning', and by striking all of lines 200 through 202, inclusive, and inserting in lieu thereof the following: 'July 1, 1972, and in any fiscal year thereafter. Also,'"

7. Strike all of Division 12 of the Senate amendment and insert in lieu thereof the following:

"12. By striking lines 249 through 263, inclusive, and inserting in lieu thereof the following:

'Sec. 18. Chapter three hundred fifty-six (356), Acts of the Sixty-second General Assembly, is hereby amended by adding the following section:

"This section shall be effective for the school fiscal year beginning July 1, 1971, and ending June 30, 1972, and for that year only. For the school fiscal year beginning July 1, 1971, and ending June 30, 1972, the following budget provisions shall apply to all school districts:

1. For those school districts with a fall enrollment for the school year beginning July 1, 1971, and ending June 30, 1972, greater than the fall enrollment for the school year beginning July 1, 1970, and ending June 30, 1971, the general fund expenditures per pupil for the school year beginning July 1, 1971, and ending June 30, 1972, shall be limited to an increase of fifty (50) dollars over the general fund expenditure per pupil for the school year beginning July 1, 1970, and ending June 30, 1971.

2. For those school districts with a fall enrollment for the school year beginning July 1, 1971, and ending June 30, 1972, equal to or less than the fall enrollment for the school year beginning July 1, 1970, and ending June 30, 1971, the general fund expenditures for the school year beginning July 1, 1971, and ending June 30, 1972, shall be limited to a fifty (50) dollar increase per pupil in fall enrollment in the fall of 1970 over the general fund expenditure of the school year beginning July 1, 1970, and ending June 30, 1971.

The school budget review committee may, however, permit a school district to exceed the limitations of this section if that school district can support with facts and information that its needs and circumstances are unique and unusual. Such unique and unusual needs and circumstances may be considered by the

Senate 5

committee including but not limited to any unusual increases or decreases in enrollments, natural disasters, unusual transportation problems, and initial staffing problems."''"

It is further recommended that whereas it is the consensus of the conference committee that most taxpayers are not fully informed as to the source of funds available to local districts and that such information is not readily available to them in easy understandable terms, the state comptroller is hereby requested to release to the members of the General Assembly and to the news media, including all newspapers in the state, a breakdown containing for each district in the area served by such media, but not less than the county equalization unit, the following information and such other information as may be of interest:

ON A PER PUPIL BASIS--

Total income tax paid
State Equalization and Income Tax Aid
Ag-land tax credits
Personal property tax credit
Homestead exemption
Total millage (local and school house fund)
Added or decreased millage because of local budget being under or over "allowable growth"
Amount in dollars per pupils contributed to and received from the county basic equalization unit
Average Daily Membership
Proposed per pupil cost for current year.

On the part of the Senate:
LUCAS P. DeKOSTER, Chmn.
H. L. OLLENBURG
QUENTIN V. ANDERSON

On the part of the House:
CHARLES E. GRASSLEY, Chmn.
DELWYN D. STROMER
ELIZABETH SHAW
LLOYD F. SCHMEISER

Filed
April 14, 1970

SENATE AMENDMENT TO THE HOUSE AMENDMENT
TO HOUSE FILE 640

- 1 Amend the House amendment to Senate File 640 as follows:
2 1. Line 11, by striking the words and figure "subsection
3 four (4),".
4 2. By striking lines 15 through 18, inclusive, and inserting
5 in lieu thereof the words "for the state".
6 3. By striking lines 23 through 28, inclusive, and placing
7 quotation marks after the word "year."
8 4. Line 30, by striking the words and figure "subsection
9 five (5),".
10 5. Line 46 by inserting after the period the following new
11 sentence: "After a period of three years from any disallowance
12 of any reimbursable expenditure by any school district, that
13 amount shall again be added to the allowable per pupil expenditure
14 in the computation of reimbursable expenditures."
15 6. By striking lines 90 through 101, inclusive, and by striking
16 from line 102 the word "instruction." and inserting in lieu thereof
17 the following:
18 "eight (8), Acts of the Sixty-second General Assembly, is hereby
19 repealed and the following section enacted in lieu thereof:
20 'The state comptroller shall compute the distribution of the
21 moneys in the basic school tax equalization fund in each basic
22 school tax unit as follows:
23 1. Equally to the respective districts in the basic school
24 tax unit on the basis of the per pupil fall enrollment for
25 the current year as certified to the state comptroller by the
26 department of public instruction.
27 2. Deduct the amounts determined in subsection one (1)
28 above forty percent of any limitations determined by the school
29 budget review committee for the previous year by any school
30 district within the basic school tax unit and prorate, on the
31 basis of the fall enrollment, the total of these limitations
32 within a basic school tax unit to the remaining school districts
33 in the basic school tax unit.
34 The amount determined by the state comptroller for each
35 district shall be distributed by the county treasurer on the
36 tenth day of the month following the month of collection.'"
37 7. Line 123, by striking the words and figures "inserting in
38 line five (5)" and by striking lines 124 and 125 and inserting
39 in lieu thereof the following:
40 "striking from lines two (2) and three (3) the words 'pupil
41 membership in all schools of the district' and inserting in
42 lieu thereof 'pupils who are members of all public schools in
43 the district and all resident pupils who are members of any
44 nonpublic school'".
45 8. Lines 130 and 131, by striking the words "state comptroller
46 on the basis of a financial support factor" and inserting in lieu
47 thereof the words "department of public instruction on the basis
48 of a financial support factor provided to the department by the
49 state comptroller".

*House referred
to concave #17
Senate mounted
4/16*

House 4

50 9. Line 183, by inserting before the word "The" the following:
51 "Sec. 34."

52 10. Line 197, by striking the word "for" and inserting in lieu
53 thereof a period, and by striking lines 198 through 202, inclusive,
54 and inserting in lieu thereof the word "Also,".

55 11. Line 241, by striking the word "govern" and inserting in lieu
56 thereof the word "guide".

57 12. By striking lines 249 through 263, inclusive, and by renum-
bering

58 the subsequent sections.

59 13. By striking lines 282 and 283 and inserting in lieu thereof
60 the words "the county school system."

61 14. By inserting after line 291 a new section and renumbering
62 the subsequent section:

63 "Section two hundred seventy-nine point twenty-two (279.22),
64 Code 1966, is amended by striking from line eleven (11) the words
65 'twenty-one' and inserting in lieu thereof the word 'nineteen'."

Received from the Senate and House refused to concur.

April 9, 1970

HOUSE AMENDMENTS TO SENATE FILE 640

- 1 Amend Senate File 640 as follows:
2 1. By striking everything after the enacting clause and
3 inserting in lieu thereof the following:
4 Section 1. Chapter three hundred fifty-six (356), section
5 two (2), subsection two (2), Acts of the Sixty-second
6 General Assembly, is hereby amended as follows:
7 1. By striking from line seven (7) everything after the
8 period.
9 2. By striking lines eight (8) through ten (10), inclusive.
10 Sec. 2. Chapter three hundred fifty-six (356), section
11 two (2), subsection four (4), Acts of the Sixty-second
12 General Assembly, is hereby amended as follows:
13 1. By inserting in line nineteen (19) after the word
14 "growth" the following:
15 "for the state. The cost of living index for the year,
16 as compiled by the United States Bureau of Labor Statistics,
17 shall be averaged with the state growth to establish the
18 percent of allowable growth to be used".
19 2. By striking line twenty-four (24), and inserting in
20 lieu thereof the following:
21 "on or before February fifteenth of each year. For the
22 purpose of this subsection, 'year' means calendar year.
23 The percent of allowable growth for the year ended
24 December 31, 1969, shall be six point one percent. This
25 percent of allowable growth shall be in lieu of the above
26 computation for use in the fiscal year budgets beginning
27 July 1, 1970, and ending June 30, 1971, and for that one year
28 only."
29 Sec. 3. Chapter three hundred fifty-six (356), section
30 two (2), subsection five (5), Acts of the Sixty-second General
31 Assembly, is hereby amended as follows:
32 1. By striking from line twenty-seven (27) the words

*Senate concerned in
House amendment
as amended 4/8*

Senate 2

33 "percent of".

34 2. By inserting in line twenty-eight (28) after the
35 word "growth" the words "expressed in dollars".

36 Sec. 4. Chapter three hundred fifty-six (356), section
37 two (2), Acts of the Sixty-second General Assembly, is
38 hereby amended by adding the following subsection:

39 "6. The 'allowable reimbursable expenditure' for
40 computing payment of state equalization aid for each of the
41 several school districts of the state for the current school
42 year shall be the amount determined by adding the dollar
43 increase in the adjusted state average reimbursable
44 expenditure determined in subsection five (5) of this
45 section to each district's allowable reimbursable expenditures
46 per pupils approved by the committee for the past year. This
47 per pupil dollar figure, or an allowable per pupil expenditure
48 as determined by the school budget review committee, shall be
49 multiplied by the projected average daily membership as
50 determined in section thirty-four (34), chapter three hundred
51 fifty-six (356), Acts of the Sixty-second General Assembly to
52 determine total allowable reimbursable expenditure".

53 Sec. 5. Chapter three hundred fifty-six (356), section
54 four (4), Acts of the Sixty-second General Assembly, is
55 hereby repealed and the following enacted in lieu thereof:

56 "The state comptroller shall determine the basic school
57 tax by computing the millage necessary to raise an amount
58 equal to forty percent of the total of net proposed general
59 fund expenditures of all school districts in the basic
60 school tax unit. Net proposed general fund expenditures shall
61 be computed by each school district by determining proposed
62 general fund expenditures, and subtracting therefrom the
63 following:

- 64 1. Estimated state equalization aid.
- 65 2. Returned state income tax.
- 66 3. Other miscellaneous income.
- 67 4. Unencumbered balance.

68 For purposes of computing the basic school tax, the
69 requirements of chapter twenty-four (24) of the Code
70 relating to budget estimates, and any other conflicting
71 provisions of law, are superseded by the provision of this
72 section.

73 The county auditor shall spread the basic school tax levy
74 at a uniform rate over all taxable property in the basic
75 school tax unit. In the case of joint districts the levy
76 shall be spread in the same manner as previously employed
77 for the purpose of making other school levies in such
78 circumstances. The money collected from the levy shall be
79 placed by the county treasurer in the basic school tax
80 equalization fund."

81 Sec. 6. Chapter three hundred fifty-six (356), section
82 five (5), Acts of the Sixty-second General Assembly, is hereby
83 amended by striking from line two (2) the words "state tax
84 commission" and inserting in lieu thereof the words

Senate 3

85 "department of revenue."

86 Sec. 7. Chapter three hundred fifty-six (356), section
87 six (6), Acts of the Sixty-second General Assembly, is
88 hereby amended as follows:

89 1. By striking line one (1).

90 2. By striking from line two (2) the words "year there-
91 after" and inserting in lieu thereof the words "The state
92 comptroller shall, not later than November 1 of each year,".

93 Sec. 8. Chapter three hundred fifty-six (356), section
94 eight (8), Acts of the Sixty-second General Assembly, is here-
95 by amended as follows:

96 1. By striking from line five (5) the words "in average
97 daily membership. A report of"

98 2. By striking lines six (6) and seven (7) and in-
99 sserting in lieu thereof the following:

100 "fall enrollment for the current year as certified to
101 the state comptroller by the department of public
102 instruction. A report of the distributions so made shall
103 be certified by each county treasurer to the state department
104 of public instruction.

105 The fall enrollment figure for each school district shall
106 be compared with the average daily membership for the same
107 school year by the state department of public instruction.
108 In the event of substantial variance, in any school district,
109 that district shall be called upon to explain the variance to
110 the budget review committee, which may order a reduction in
111 county equalization funds for the next school year immediately
112 following the year of variances in proportion to any variances
113 or part thereof not satisfactorily explained."

114 Sec. 9. Chapter three hundred fifty-six (356), section
115 twelve (12), Acts of the Sixty-second General Assembly, is
116 hereby amended by striking from line fifteen (15) the word
117 "commission" and inserting in lieu thereof the word
118 department".

119 Sec. 10. Chapter three hundred fifty-six (356), section
120 thirteen (13), Acts of the Sixty-second General Assembly, as
121 amended by chapter two hundred fifty-seven (257), section
122 one (1), Acts of the Sixty-third General Assembly, First
123 Session, is hereby further amended by inserting in line five (5)
124 after the period the words "For the purpose of this
125 determination, 'school' includes public and nonpublic schools."

126 Sec. 11. Chapter three hundred fifty-six (356), section
127 fourteen (14), Acts of the Sixty-second General Assembly, is
128 hereby repealed and the following enacted in lieu thereof:

129 "State aid payable to each public school district shall be
130 computed by the state comptroller on the basis of a financial
131 support factor. The financial support factor for the
132 state is the relationship between total pupils in the
133 state determined by adding the average daily membership
134 and school census for all districts and dividing the sum
135 by two, and total wealth in the state, determined by
136 adding the adjusted gross income and the adjusted real

Senate 4

137 value of all taxable property. The adjusted real value
138 of taxable property is the actual real value modified so
139 that it is on a seventy to thirty ratio to the adjusted
140 gross income.

141 The financial support factor for each district is de-
142 termined in the same manner, based upon the relationship
143 between total pupils and total wealth in the district,
144 except that the adjusted real value of taxable property in
145 the district is determined by modifying the actual real
146 value by the same percentage that the actual real value of
147 taxable property in the state was modified.

148 Twenty-five percent of the ratio of the local to the
149 state support factor subtracted from one shall determine the
150 percent of state aid applicable to each district's allowable
151 general fund expenditure less the district's share of the
152 county basic school tax equalization fund."

153 Sec. 12. Chapter three hundred fifty-six (356), section
154 fifteen (15), Acts of the Sixty-second General Assembly, as
155 amended by chapter two hundred fifty-eight (258), section
156 one (1), Acts of the Sixty-second General Assembly, First
157 Session, is hereby further amended by inserting in line twenty-
158 three (23) after the word "from" the words "clearing accounts,".

159 Sec. 13. Chapter three hundred fifty-six (356), section
160 seventeen (17), Acts of the Sixty-second General Assembly,
161 is hereby amended as follows:

162 1. By striking from line ten (10) the words "forthwith
163 draw warrants," and inserting in lieu thereof the words
164 "draw warrants in payment of the amount of aid payable to
165 each of the districts in three installments to be paid on
166 approximately the first day of September (estimate),
167 February, and May,".

168 2. By inserting in line thirteen (13) after the word
169 "Iowa" the words ", unless he is instructed by the school
170 budget review committee to withhold payment".

171 Sec. 14. Chapter three hundred fifty-six (356), section
172 nineteen (19), Acts of the Sixty-second General Assembly, is
173 hereby amended by striking from line three (3) the words "by
174 the county auditor".

175 Sec. 15. Chapter three hundred fifty-six (356), section
176 thirty-four (34), Acts of the Sixty-second General Assembly,
177 is hereby amended as follows:

178 1. By striking all of lines one (1) through nine (9),
179 inclusive.

180 2. By striking all of lines twenty-five (25) through
181 thirty-seven (37), inclusive, and inserting in lieu thereof
182 the following:

183 "The school budget review committee is authorized to
184 review any and all school budgets, including county school
185 systems, and may call in officers of any and all school
186 districts or systems for hearings.

187 In addition the school budget review committee shall review
188 the budgets of all school districts whose budgets per pupil in

189 projected average daily membership exceed the adjusted state
190 average reimbursable expenditure by more than twenty percent or
191 whose budgets exceed the allowable reimbursable expenditure as
192 computed in section two (2), subsection six (6), chapter three
193 hundred fifty-six (356), Acts of the Sixty-second General
194 Assembly.

195 No state equalization aid shall be paid on any expenditures
196 per pupil which exceed the adjusted state average
197 reimbursable expenditure by more than twenty percent for
198 the fiscal year beginning July 1, 1970, nor more than ten
199 percent for the fiscal year beginning July 1, 1971, and in
200 any fiscal year thereafter no state equalization aid shall
201 be paid on any expenditures which exceed the adjusted
202 reimbursable state average per pupil expenditure. Also,
203 no state equalization aid shall be paid on any amounts which
204 exceed the allowable reimbursable expenditure as computed in
205 section two (2), subsection six (6), chapter three
206 hundred fifty-six (356), Acts of the Sixty-second General
207 Assembly, except as follows:

208 The committee may however permit a school district to
209 share in the equalization aid based upon such excess
210 expenditures if that school district can support with facts
211 and information that its needs and circumstances are unique
212 and unusual. Such unique and unusual needs and circumstances
213 may be considered by the committee including but not limited
214 to any unusual increases or decreases in enrollments,
215 natural disasters, unusual transportation problems, and
216 initial staffing problems.

217 No expenditure in excess of the allowable reimbursable
218 expenditure as computed in section two (2), subsection six (6),
219 chapter three hundred fifty-six (356), Acts of the Sixty-
220 second General Assembly, shall be used as a base for
221 determining the next year's allowable reimbursable
222 expenditure unless such additional amount has been approved
223 by the budget review committee.

224 Failure by any school district to provide information or
225 appear before the committee as requested for the accomplishment
226 of review or hearing shall constitute justification for the
227 committee to instruct the state comptroller to withhold state
228 aid until said committee's inquiries are satisfied completely."

229 Sec. 16. Chapter three hundred fifty-six (356), section
230 thirty-five (35), Acts of the Sixty-second General Assembly,
231 is hereby repealed and the following enacted in lieu thereof:

232 "Not later than December first each year beginning in
233 December, 1970, for the fiscal year beginning July 1, 1971, and
234 ending June 30, 1972, and December first for each fiscal
235 year thereafter, the board of directors of each school
236 corporation shall set a tentative limitation in dollars of
237 the amount the district may spend on each program in the
238 system as defined by the school budget review committee
239 and in the form which they shall so prescribe. This pros-
240 pectus of program and allotted dollars as approved by the

Senate 6

241 board shall govern the superintendent when preparing the
242 proposed budget for that year. These limitations submitted
243 by the board of directors to the superintendent of schools
244 for the district shall be promptly forwarded to the school
245 budget review committee".

246 Sec. 17. Chapter three hundred fifty-six (356), sections
247 fifty (50), fifty-three (53), and fifty-four (54), Acts of
248 the Sixty-second General Assembly, are hereby repealed.

249 Sec. 18. Chapter three hundred fifty-six (356), Acts of
250 the Sixty-second General Assembly, is hereby amended by adding
251 the following section:

252 "For the school fiscal year beginning July 1, 1970, and
253 ending June 30, 1971, the general fund expenditure per pupil
254 for the fiscal year 1969-1970 shall not be exceeded by more
255 than six point one percent.

256 However, if any school district is required to create any
257 new teaching supervisory, or administrative positions for
258 the fiscal year beginning July 1, 1970, and ending June 30,
259 1971, in order to comply with section two hundred fifty-seven
260 point twenty-five (257.25) of the Code, the salaries paid
261 to the teachers, supervisors, or administrators employed in
262 such positions shall not be subject to the expenditure
263 limitations provided in this section.

264 Sec. 19. Section two hundred ninety-eight point one
265 (298.1), Code 1966, as amended by Senate File one thousand
266 eighty-three, Acts of the Sixty-third General Assembly,
267 Second Session, is hereby repealed and the following
268 enacted in lieu thereof:

269 "The board of each school corporation shall estimate
270 the amount of the proposed expenditures and proposed
271 receipts for the general school purposes at a time and
272 in a manner to effectuate the provisions of chapter three
273 hundred fifty-six (356), Acts of the Sixty-second General
274 Assembly. Compliance with chapter twenty-four (24) of the
275 Code shall be observed.

276 Prior to compliance with section twenty-four point nine
277 (24.9) of the Code, the superintendent of the county school
278 systems shall call a joint meeting of school superintendents
279 and school board members for all of the local districts with-
280 in the county basic school tax unit. The time and place for
281 such joint meetings shall be set by the superintendent of
282 the county school system, and shall so notify the chairman
283 of the school budget review committee.

284 The purpose of the joint meeting shall be for a review of
285 the budgets of the several school districts within the county
286 basic school tax units, and for the discussion of common
287 problems within the county basic unit."

288 Sec. 20. Section two hundred ninety-one point nine
289 (291.9), subsection one (1), Code 1966, is hereby amended by
290 striking from line five (5), the word "twenty-one" and
291 inserting in lieu thereof the word "nineteen".

292 Sec. 21. This Act, being deemed of immediate importance,

Senate 7

293 shall take effect and be in force from and after its
294 publication in The Progress-Review, a newspaper published
295 LaPorte City, Iowa, and in the Emmetsburg Reporter, a
296 newspaper published in Emmetsburg, Iowa.
297 2. Amend the title by adding after the word "hearings" the
298 following:
299 "; the basic school tax formula and allocation of state
300 equalization aid to public schools; establishment of certain
301 limitations for school district expenses; provision for and
302 program budgeting development within the individual school
303 districts".

Received from the House
April 2, 1970

1 Amend the House amendment to Senate File 640
2 as follows:
3 1. By inserting after line 67 the following:
4 Any expenditures which have been disallowed by the school
5 budget review committee, for purposes of payment of state aid,
6 shall not be included in the net proposed general fund expenditures
7 of a school district, for purposes of determining the basic
8 school tax.
9 2. By inserting after line 223 the following:
10 The dollar amount of proposed expenditures for a school
11 district not allowed by the school budget review committee
12 shall be levied in the succeeding year as an additional property
13 tax over and above that for the then current budget in said
14 district and shall be distributed among the school districts
15 in the basic school tax unit. Such dollar amount shall be
16 credited to each district in the proportion that each district's
17 property valuation is to the total property valuation in the
18 basic school tax unit.

Filed - *Withdrawn 4/8*
April 3, 1970

By ANDERSON

1 Amend the House Amendment to Senate File 640 as follows:

2 1. Line 11, by striking the words and figure "subsection
3 four (4),".

4 2. By striking lines 15 through 18, inclusive, and insert-
5 ing in lieu thereof the words "for the state".

6 3. By striking lines 23 through 28, inclusive, and placing
7 quotation marks after the word "year."

8 4. Line 30, by striking the words and figure "subsection
9 five (5),".

10 5. By striking lines 94 through 101, inclusive, and by
11 striking from line 102 the word "instruction." and inserting
12 in lieu thereof the following:

13 "eight (8), Acts of the Sixty-second General Assembly, is
14 hereby repealed and the following section enacted in lieu
15 thereof:

16 "The state comptroller shall compute the distribution of the
17 moneys in the basic school tax equalization fund in each basic
18 school tax unit as follows:

19 1. Equally to the respective districts in the basic school
20 tax unit on the basis of the per pupil in fall enrollment for
21 the current year as certified to the state comptroller by the
22 department of public instruction.

23 2. Deduct from the amounts determined in subsection one (1)
24 above forty percent of any limitations determined by the school
25 budget review committee for the previous year by any school
26 district within the basic school tax unit and prorate, on
27 the basis of the fall enrollment, the total of these limita-
28 tions within a basic school tax unit to the remaining school
29 districts in the basic school tax unit.

30 The amount determined by the state comptroller for each
31 district shall be distributed by the county treasurer on
32 the tenth day of the month following the month of collection."

33 6. Line 123, by striking the words and figures "inserting
34 in line five (5)" and by striking lines 124 and 125 and insert-
35 ing in lieu thereof the following:

36 "striking from lines two (2) and three (3) the words 'pupil
37 membership in all schools of the district' and inserting in
38 lieu thereof 'pupils who are members of all public schools in
39 the district and all resident pupils who are members of any
40 nonpublic school'".

41 7. Lines 130 and 131, by striking the words "state comptroller
42 on the basis of a financial support factor" and inserting in
43 lieu thereof the words "department of public instruction on
44 the basis of a financial support factor provided to the depart-
45 ment by the state comptroller".

46 8. Line 183, by inserting before the word "The" the
47 following: "Sec. 34."

48 9. Line 197, by striking the word "for" and inserting in
49 lieu thereof a period, and by striking lines 198 through 202,
50 inclusive, and inserting in lieu thereof the word "Also,".

Law 1
Law 2
Law 3
Law 4
Adopted 4/8

Law 5

Adopted 4/8

Law 6

Law 7

Law 8
Adopted 4/8

Law 9
Adopted 4/8

- 51 10. Line 241, by striking the word "govern" and inserting
 52 in lieu thereof the word "guide".
- 53 11. By striking lines 249 through 263, inclusive, and by
 54 renumbering the subsequent sections.
- 55 12. By striking the sentence beginning in line 274 and
 56 ending in line 275.
- 57 13. By striking lines 282 and 283 and inserting in lieu
 58 thereof the words "the county school system."
- 59 14. By inserting after line 291 a new section and renumber-
 60 ing the subsequent section:
- 61 Section two hundred seventy-nine point twenty-two (279.22),
 62 Code 1966, is amended by striking from line eleven (11) the
 63 words "twenty-one" and inserting in lieu thereof the word
 64 "nineteen".

Line 10
Line 11
Line 12 - 2
Line 13
Line 14

Filed - *Adopted (with exception of*
 April 6, 1970 *Div 12) 4/8*

By DeKOSTER, OLLENBURG,
 CURRAN and DODERER

- 1 Amend the House amendment to Senate File 640 by striking lines
 2 83, 84, and 85 and inserting in lieu thereof the following:
 3 amended as follows:
- 4 1. By striking from line two (2) the words "state tax
 5 commission" and inserting in lieu thereof the words "department
 6 of revenue".
- 7 2. By striking lines nine (9) and ten (10) and inserting
 8 in lieu thereof the following:
- 9 "instruction forty percent of the total. The department of
 10 public instruction shall certify to the state comptroller the per
 11 pupil fall enrollment for the current year for each school district
 12 in each basic school tax unit in the state. The state comptroller
 13 shall compute the amount due per pupil by dividing the total amount
 14 of income tax certified by the total per pupil fall enrollment in
 15 the state for the current year, and shall distribute the amount to
 16 each basic school tax unit on the basis of its total per pupil fall
 17 enrollment for the current year."

Filed - *Last 4/8*
 April 6, 1970

By ANDERSON

- 1 Amend the DeKoster, et al., amendment to House amendment
 2 to Senate File 640, line 56, by striking the period and
 3 inserting in lieu thereof the words ", and inserting in
 4 lieu thereof the following sentence:
- 5 "The provisions of chapter twenty-four (24) shall
 6 apply to this section insofar as they are not in contradiction
 7 thereof."

Filed - *Last 4/8*
 April 7, 1970

By OLLENBURG and DeKOSTER

1 Amend the DeKoster-Ollenburg-Curran-Doderer amendment, filed
2 April 6, 1970, to the House amendment to Senate File 640, by
3 striking lines 53 and 54 and inserting in lieu thereof the
4 following:
5 "11. By striking line 255 and inserting in lieu thereof
6 the words 'than fifty dollars.'"

Filed and lost

April 8, 1970

By BALLOUN, MESSERLY and NICHOLSON

1 Amend the House amendment to Senate File 640 by
2 inserting after the period in line 46 the following
3 new sentence:
4 "After a period of three years from any disallowance
5 of any reimbursable expenditure by any school district,
6 that amount shall again be added to the allowable per
7 pupil expenditure in the computation of reimbursable
8 expenditures."

Filed and adopted

April 8, 1970

By DODERER

1 Amend the DeKoster-Ollenburg-Curran-Doderer amendment, filed
2 April 6, 1970, to the House amendment to Senate File 640 by
3 striking all of division 5 and inserting in lieu thereof the
4 following:
5 "5. By inserting after line 67 the following:
6 'Any expenditures which have been disallowed by the
7 school budget review committee, for purposes of payment of state
8 aid, shall not be included in the net proposed general fund
9 expenditures of a school district, for purposes of determining the
10 basic school tax.', and
11 By inserting after line 223 the following:
12 'The dollar amount of proposed expenditures for a
13 school district not allowed by the school budget review committee
14 shall be levied in the succeeding year as an additional property
15 tax over and above that for the then current budget in said
16 district and shall be distributed among the school districts
17 in the basic school tax unit. Such dollar amount shall be
18 credited to each district in the proportion that each district's
19 property valuation is to the total property valuation in the
20 basic school tax unit.'"

Filed and lost

April 8, 1970

By ANDERSON

SENATE FILE 640

1 Amend the House committee on schools amendment to Senate
2 File 640 as follows:

3 1. By striking lines 4 through 213, inclusive, and inserting
4 in lieu thereof the following:

5 Section 1. Chapter three hundred fifty-six (356), Acts of
6 the Sixty-second General Assembly, is hereby amended by strik-
7 ing sections one (1) through eight (8), inclusive, sections
8 ten (10) through twenty (20), inclusive, section twenty-nine
9 (29), and sections thirty-two (32) through thirty-five (35),
10 inclusive, and inserting in lieu thereof sections two (2)
11 through nine (9) of this Act.

12 Sec. 2. Each public high school district is entitled to
13 receive from the state annually as basic aid one hundred dol-
14 lars for each pupil in current daily membership in the dis-
15 trict. Basic aid is in lieu of all separate appropriations
16 for specific programs such as handicapped children aid, voca-
17 tional education aid, and driver education aid, but is not in
18 lieu of any state funds appropriated specifically as matching
19 funds in order to secure federal grants and aids, unless other-
20 wise designated in the appropriation for basic aid.

21 The average daily membership for each public high school
22 district shall be determined by dividing the aggregate sum of
23 the pupil membership in all public schools of the district for
24 each day school was in session throughout the last preceding
25 school year by the total number of days school was in session
26 in all schools of the district during that school year.

27 Current daily membership shall be determined by multiply-
28 ing the district's average daily membership by its current
29 fall enrollment, and dividing the product by the district's
30 fall enrollment of the last preceding year.

31 Sec. 3. Each public high school district which has an
32 average assessed valuation of taxable property per pupil in
33 current daily membership of less than fourteen thousand two
34 hundred eighty-six dollars is entitled to receive from the
35 state annually as foundation aid an amount computed as follows:

36 1. Subtract the average assessed valuation of taxable
37 property in the district per pupil in current daily membership
38 from fourteen thousand two hundred eighty-six dollars.

39 2. Multiply the difference obtained under subsection one
40 (1) by three and one-half cents.

41 3. Multiply the product obtained under subsection two
42 (2) by the current daily membership.

43 Sec. 4. Any amount by which a district's general fund
44 school budget less receipts from sources other than the sources
45 provided by this Act exceed the amount it is entitled to re-
46 ceive as basic aid and foundation aid may be provided in the
47 following manner.

48 1. By a levy on taxable property in the district, except
49 that, for the fiscal year starting July 1, 1975, and for any
50 fiscal year thereafter no district shall levy more than sixty

51 mills per dollar of assessed valuation for general fund school
52 purposes.

53 2. By a tax on income of individual residents of the
54 district, in the form of a surcharge not to exceed twenty-five
55 percent of the state income tax due from each individual resi-
56 dent of the school district, subject to the following condi-
57 tions:

58 a. The district shall first levy at least forty-two mills
59 per dollar of assessed valuation on taxable property in the dis-
60 trict, for general fund school purposes.

61 b. The district's general fund school budget per pupil in
62 estimated fall enrollment shall not exceed one hundred twenty
63 percent of the state average general fund school cost per pupil
64 in average daily membership as computed by the state comptroller.

65 c. The district shall obtain a favorable vote of the elec-
66 torate on the question of whether a school district income tax
67 surcharge in a proposed percent shall be imposed. The question
68 shall be submitted at a regular school election. After a favor-
69 able vote on the question, a district shall continue to levy a
70 school district income tax in any subsequent year in which it
71 qualifies under the provisions of this section. After imposi-
72 tion of a school district income tax, upon receipt of a petition
73 signed by qualified electors within the district equal in num-
74 ber to at least twenty percent of the number of votes cast in
75 the last regular school election, the school board shall sub-
76 mit to the voters at the next regular school election, the
77 question of whether a school district income tax shall continue
78 to be imposed. If less than a majority of those voting favors
79 continuation of the school district income tax it shall not be
80 imposed for subsequent years until the question is again sub-
81 mitted and a favorable vote of the electorate is obtained.

82 d. Any school district which elects to impose a school
83 district income tax shall notify the department of revenue of
84 the amount of the tax within thirty days after the election,
85 and the department shall commence collecting the school dis-
86 trict income tax from residents of the district, beginning
87 with their state income tax liability for that calendar year
88 or for the portion within that calendar year of any taxpayer
89 fiscal year ending during that calendar year. In subsequent
90 years, if a school district income tax is to be discontinued,
91 the school board shall so notify the department of revenue by
92 October first, and the tax shall not be collected for any sub-
93 sequent calendar year or for any portion of a taxpayer fiscal
94 year falling after December thirty-first of that year.

95 e. All school district income taxes shall be administered
96 by the department of revenue, in consultation with each school
97 board, and the department shall collect and account for the
98 revenue, crediting all such funds to a school district income
99 tax fund hereby established in the office of the treasurer of
100 state. Annually, on July first, the treasurer of state shall
101 remit to the school districts which have imposed a school dis-
102 trict income tax their respective shares of the balance in the

103 school district income tax fund. School district income tax
104 shall be subject to all applicable provisions of divisions I,
105 II, III, and V of chapter four hundred twenty-two (422) of the
106 Code, and particularly to those provisions relating to the ap-
107 plication of interest and penalties and procedures for hearing
108 and appeal. The department of revenue shall administer any
109 school district income tax as nearly as possible in conjunc-
110 tion with the administration of the state income tax law, for
111 purposes of economy and efficiency, and shall promulgate uni-
112 form rules and regulations necessary to carry out the provisions
113 of this section.

114 Sec. 5. Emergency aid shall be available only to a school
115 district which is unable to provide amounts equal to eighty-five
116 percent of the state average per pupil expenditure, even when it
117 levies a sixty mill property tax and imposes an income tax sur-
118 charge of twenty-five percent. Any school district which levies
119 sixty mills per dollar of assessed valuation may receive annually
120 as emergency aid an amount computed as follows:

121 1. Multiply the school district's current daily membership
122 times eighty-five percent of the state average general fund school
123 cost per pupil in average daily membership, as computed by the
124 state comptroller.

125 2. Add together the following:

126 a. All anticipated receipts for general fund school pur-
127 poses, including, but not limited to, federal grants and aids
128 and any amounts separately appropriated as matching funds,
129 fines, tuition, income on investments, basic aid, foundation
130 aid, and revenues from the sixty mill levy on taxable property
131 in the district.

132 b. The amount which would have been raised by a school
133 district income tax in the amount of twenty-five percent of the
134 state income tax liability of individual residents of the dis-
135 trict, as computed for the last preceding calendar year, whether
136 or not such a tax has been or will be imposed.

137 3. Subtract the sum obtained under subsection two (2) of
138 this section from the product obtained under subsection one (1)
139 of this section or the district's total budget for general fund
140 purposes, whichever is less. The difference so obtained is the
141 amount of the district's emergency aid entitlement.

142 Sec. 6. The general fund expenditures included in the bud-
143 get of any school district divided by the estimated fall enroll-
144 ment of such district shall not exceed one hundred ten percent
145 of its general fund expenditures per pupil in average daily
146 membership.

147 Sec. 7. All moneys received by a public high school dis-
148 trict from the state under the provisions of this Act shall be
149 deposited in the general fund.

150 Sec. 8. No later than September fifteenth of each year
151 each school district shall inform the state comptroller of its
152 current fall enrollment and other information necessary for com-
153 putation of aid under this Act. The state comptroller shall
154 compute the amounts of state basic aid, foundation aid, and

House 9

155 emergency aid that shall be paid to each school district. In
156 the event any estimate of said aids in any school budget certi-
157 fied to the auditor as provided by section twenty-four point
158 seventeen (24.17) of the Code is more or less than the amount
159 of said aid computed by the state comptroller, the state comp-
160 troller shall certify to the county auditors the final amounts
161 and the corrected millage for each school district. The state
162 comptroller shall draw warrants in payment of the aid in three
163 installments to be paid approximately on the first day of
164 November, February, and May.

165 Sec. 9. Chapter three hundred forty-eight (348), section
166 sixteen (16), Acts of the Sixty-second General Assembly, amend-
167 ing section four hundred twenty-two point thirty-three (422.33),
168 Code 1966, is hereby amended by inserting after line fourteen
169 (14) the following:

170 "A school tax surcharge in the amount of five percent of
171 the total tax due under this section is hereby imposed on all
172 corporations."

173 2. By striking from lines 227 and 228 the words "basic school
174 tax".

175 3. By striking from lines 229 and 230 the words ", and shall
176 so notify the chairman of the school budget review committee".

177 4. By striking from lines 232 and 233 the words "basic school
178 tax".

179 5. By striking from line 234 the word "basic".

180 6. By striking lines 237 through 240, inclusive, and insert-
181 ing in lieu thereof the following:

182 ", state aid to school districts, a limitation on school
183 district expenditures, authorizing a school district income
184 tax, and imposing a school tax surcharge on corporations".

Filed *Lost 3/31*

March 20, 1970

SHAW of Scott

SENATE FILE 640

1 Amend the committee on schools amendment to Senate File
2 640, found on pages 859 through 864 of the House Journal of
3 March 10, 1970, as follows:

4 1. By striking lines 10 through 16 and inserting in lieu
5 thereof the following:

6 Sec. 2. Chapter three hundred fifty-six (356), section
7 two (2), subsection four (4), Acts of the Sixty-second General
8 Assembly, is hereby amended as follows:

9 1. By inserting in line nineteen (19) after the word
10 "growth" the following:

11 "for the state. The cost of living index for the year,
12 as compiled by the United States Bureau of Labor Statistics,
13 shall be averaged with the state growth to establish the
14 percent of allowable growth to be used".

15 2. By striking line twenty-four (24), and inserting in
16 lieu thereof the following:

17 "on or before February fifteenth of each year. For the
18 purpose of this subsection, 'year' means calendar year."

19 2. By inserting in line 37 after the word "district's" the
20 word "allowable".

21 3. By inserting in line 43 after the word "Assembly" the
22 words "to determine total allowable reimbursable expenditure".

23 4. By striking lines 106 through 119 and inserting in lieu
24 thereof the following:

25 "State aid payable to each public school district shall
26 be computed by the state comptroller on the basis of a
27 financial support factor. The financial support factor for
28 the state is the relationship between total pupils in the
29 state, determined by adding the average daily membership and
30 school census for all districts and dividing the sum by two,
31 and total wealth in the state, determined by adding the ad-
32 justed gross income and the adjusted real value of all tax-
33 able property. The adjusted real value of taxable property
34 is the actual real value modified so that it is on a seventy
35 to thirty ratio to the adjusted gross income.

36 The financial support factor for each district is de-
37 termined in the same manner based upon the relationship
38 between total pupils and total wealth in the district,
39 except that the adjusted real value of taxable property in
40 the district is determined by modifying the actual real
41 value by the same percentage that the actual real value of
42 taxable property in the state was modified.

43 Twenty-five percent of the ratio of the local to the
44 state support factor subtracted from one shall determine
45 the percent of state aid applicable to each district's
46 allowable general fund expenditure less the district's share
47 of the county basic school tax equalization fund.

48 5. By striking lines 126 through 132 and inserting in lieu
49 thereof the following:

50 Sec. 12. Chapter three hundred fifty-six (356), section

Handwritten mark

Handwritten mark

House 7

51 seventeen (17), Acts of the Sixty-second General Assembly,
52 is hereby amended as follows:

53 1. By striking from line ten (10) the words "forthwith
54 draw warrants," and inserting in lieu thereof the words "draw
55 warrants in payment of the amount of aid payable to each of
56 the districts in three installments to be paid on approxi-
57 mately the first day of September (estimate), February, and
58 May,".

59 2. By inserting in line thirteen (13) after the word
60 "Iowa" the words ", unless he is instructed by the school
61 budget review committee to withhold payment".

62 6. By inserting in line 149 after the second use of the word
63 "budgets" the words "per pupil in projected average daily
64 membership".

65 7. By striking line 150 and inserting in lieu thereof the words
66 "adjusted state average reimbursable expenditure by more".

67 8. By striking from line 151 the word "adjusted" and inserting
68 in lieu thereof the word "allowable".

69 9. By striking from line 152 the word "of" and inserting in
70 lieu thereof the words and figure ", subsection six (6),".

71 10. By striking line 155 and inserting in lieu thereof the
72 words "per pupil which exceed the adjusted state average
73 reimbursable".

74 11. By striking from line 157 the word "adjusted" and insert-
75 ing in lieu thereof the word "allowable".

76 12. By striking from line 158 the word "of" and inserting in
77 lieu thereof the words and figure ", subsection six (6),".

78 13. By striking from lines 162 and 163 the words "expenditures
79 in excess of that district's reimbursable" and inserting in
80 lieu thereof the words "such excess".

81 14. By striking from line 166 the word "that".

82 15. By striking lines 170 and 171 and inserting in lieu there-
83 of the following:

84 "No expenditure in excess of the allowable reimbursable
85 expenditure as computed in section two (2), subsection six (6),
86 chapter three hundred".

87 16. By inserting in line 173 after the word "year's" the word
88 "allowable".

89 17. By inserting in line 218 after the word "each" the word
90 "school".

Filed - *adopted 3/21*
March 18, 1970

KEHE of Bremer
STROMER of Hancock
WELDEN of Hardin

2

SENATE FILE 640

1 Amend Senate File 640 as follows:

2 1. By striking everything after the enacting clause and inserting
3 in lieu thereof the following:

4 Section 1. Chapter three hundred fifty-six (356), section
5 two (2), subsection two (2), Acts of the Sixty-second General
6 Assembly, is hereby amended as follows:

7 1. By striking from line seven (7) everything after the
8 period.

9 2. By striking lines eight (8) through ten (10), inclusive.

10 Sec. 2. Chapter three hundred fifty-six (356), sections two
11 (2), subsection four (4), Acts of the Sixty-second General Assembly,
12 is hereby amended by striking line twenty-four (24), and inserting
13 in lieu thereof the following:

14 "on or before February fifteenth of each year. For the
15 purpose of this subsection, 'year' means the last preceding
16 calendar year for which data or estimates are available.

17 The percent of allowable growth for the year ended December
18 31, 1969, shall be six point one percent. This percent of allow-
19 able growth shall be in lieu of the above computation for use in
20 the fiscal year budgets beginning July 1, 1970, and ending June 30,
21 1971, and for that one year only."

22 Sec. 3. Chapter three hundred fifty-six (356), section two
23 (2), subsection five (5), Acts of the Sixty-second General Assem-
24 bly, is hereby amended as follows:

25 1. By striking from line twenty-seven (27) the words "percent
26 of".

27 2. By inserting in line twenty-eight (28) after the word
28 "growth" the words "expressed in dollars".

29 Sec. 4. Chapter three hundred fifty-six (356), section two
30 (2), Acts of the Sixty-second General Assembly, is hereby amended
31 by adding the following subsection:

32 "6. The 'allowable reimbursable expenditure' for computing
33 payment of state equalization aid for each of the several school
34 districts of the state for the current school year shall be the
35 amount determined by adding the dollar increase in the adjusted
36 state average reimbursable expenditure determined in subsection
37 five (5) of this section to each district's reimbursable expendi-
38 tures per pupil approved by the committee for the past year. This
39 per pupil dollar figure, or an allowable per pupil expenditure as
40 determined by the school budget review committee, shall be multi-
41 plied by the projected average daily membership as determined in
42 section thirty-four (34), chapter three hundred fifty-six (356),
43 Acts of the Sixty-second General Assembly.

44 Sec. 5. Chapter three hundred fifty-six (356), section four
45 (4), Acts of the Sixty-second General Assembly, is hereby repealed
46 and the following enacted in lieu thereof:

47 "The state comptroller shall determine the basic school tax
48 by computing the millage necessary to raise an amount equal to
49 forty percent of the total of net proposed general fund expendi-
50 tures of all school districts in the basic school tax unit. Net

Done
1

Done
2-

Done
3

House 76

51 proposed general fund expenditures shall be computed by each
52 school district by determining proposed general fund expenditures,
53 and subtracting therefrom the following:

- 54 1. Estimated state equalization aid.
- 55 2. Returned state income tax.
- 56 3. Other miscellaneous income.

57 For purposes of computing the basic school tax, the requirements
58 of chapter twenty-four (24) of the Code relating to budget esti-
59 mates, and any other conflicting provisions of law, are superseded
60 by the provisions of this section.

61 The county auditor shall spread the basic school tax levy at
62 a uniform rate over all taxable property in the basic school tax
63 unit. In the case of joint districts the levy shall be spread in
64 the same manner as previously employed for the purpose of making
65 other school levies in such circumstances. The money collected
66 from the levy shall be placed by the county treasurer in the basic
67 school tax equalization fund."

68 Sec. 6. Chapter three hundred fifty-six (356), section five
69 (5), Acts of the Sixty-second General Assembly, is hereby amended
70 by striking from line two (2) the words "state tax commission" and
71 inserting in lieu thereof the words "department of revenue".

72 Sec. 7. Chapter three hundred fifty-six (356), section six
73 (6), Acts of the Sixty-second General Assembly, is hereby amended
74 as follows:

- 75 1. By striking line one (1).
- 76 2. By striking from line two (2) the words "year thereafter,"
77 and inserting in lieu thereof the words "The state comptroller
78 shall, not later than November 1 of each year,".

79 Sec. 8. Chapter three hundred fifty-six (356), section
80 eight (8), Acts of the Sixty-second General Assembly, is hereby
81 amended as follows:

- 82 1. By striking from line five (5) the words "in average
83 daily membership. A report of".
- 84 2. By striking lines six (6) and seven (7) and inserting
85 in lieu thereof the following:

86 "fall enrollment for the current year as certified to the
87 state comptroller by the department of public instruction. A
88 report of the distributions so made shall be certified by each
89 county treasurer to the state department of public instruction.

90 The fall enrollment figure for each school district shall
91 be compared with the average daily membership for the same school
92 year by the state department of public instruction. In the event
93 of substantial variance, in any school district, that district
94 shall be called upon to explain the variance to the budget review
95 committee, which may order a reduction in county equalization
96 funds for the next school year immediately following the year of
97 variances in proportion to any variances or part thereof not
98 satisfactorily explained."

99 Sec. 9. Chapter three hundred fifty-six (356), section
100 twelve (12), Acts of the Sixty-second General Assembly, is hereby
101 amended by striking from line fifteen (15) the word "commission"
102 and inserting in lieu thereof the word "department".

Law
3

103 Sec. 10. Chapter three hundred fifty-six (356), section
104 fourteen (14), Acts of the Sixty-second General Assembly, is
105 hereby repealed and the following enacted in lieu thereof:

106 "State aid payable to each public school district shall be
107 computed by the state comptroller on the basis of a financial
108 support factor. This support factor is the relationship per pupil
109 of the average of the daily membership and school census to the
110 total real value of all taxable property in the state and the
111 total adjusted gross income in the state on a seventy-thirty
112 ratio, property to income. The taxable real property in each
113 district shall be adjusted to reflect the relative change deter-
114 mined for the state.

115 Twenty-five percent of the ratio of the local support factor
116 to the state support factor subtraced from one shall determine
117 the percent of effort the state will participate in each district's
118 total general fund adjusted reimbursable expenditures less the
119 county basic tax equalization fund."

120 Sec. 11. Chapter three hundred fifty-six (356), section
121 fifteen (15), Acts of the Sixty-second General Assembly, as amended
122 by chapter two hundred fifty-eight (258), section one (1), Acts of
123 the Sixty-third General Assembly, First Session, is hereby further
124 amended by inserting in line twenty-three (23) after the word "from"
125 the words "clearing accounts,".

126 Sec. 12. Chapter three hundred fifty-six (356), section
127 seventeen (17), Acts of the Sixty-second General Assembly, is
128 hereby amended by striking from line ten (10) the words "forthwith
129 draw warrants," and inserting in lieu thereof the words:

130 "draw warrants in payment of the amount of aid payable to
131 each of the districts in three installments to be paid on approx-
132 imately the first day of September (estimate), February, and May,".

133 Sec. 13. Chapter three hundred fifty-six (356), section
134 nineteen (19), Acts of the Sixty-second General Assembly, is hereby
135 amended by striking from line three (3) the words "by the county
136 auditor".

137 Sec. 14. Chapter three hundred fifty-six (356), section
138 thirty-four (34), Acts of the Sixty-second General Assembly, is
139 hereby amended as follows:

140 1. By striking all of lines one (1) through nine (9), in-
141 clusive.

142 2. By striking all of lines twenty-five (25) to thirty-seven
143 (37), inclusive, and inserting in lieu thereof the following:

144 "The school budget review committee is authorized to review
145 any and all school budgets, including county school systems, and
146 may call in officers of any and all school districts or systems
147 for hearings.

148 In addition the school budget review committee shall review
149 the budgets of all school districts whose budgets exceed the
150 adjusted reimbursable state average per pupil expenditure by more
151 than twenty percent or whose budgets exceed the adjusted reim-
bursa-

152 ble expenditure as computed in section two (2) of chapter three
153 hundred fifty-six (356), Acts of the Sixty-second General Assembly.

Handwritten mark
3

154 No state equalization aid shall be paid on any expenditures
155 which exceed the adjusted reimbursable state average per pupil
156 expenditure by more than twenty percent, nor will state equaliza-
157 tion aid be paid on any amounts which exceed the adjusted reim-
158 bursable expenditure as computed in section two (2) of chapter
159 three hundred fifty-six (356), Acts of the Sixty-second General
160 Assembly, except as follows:

161 The committee may however permit a school district to share
162 in the equalization aid based upon expenditures in excess of that
163 district's reimbursable expenditures if that school district can
164 support with facts and information that its needs and circumstances
165 are unique and unusual. Such unique and unusual needs and circum-
166 stances that may be considered by the committee including but not
167 limited to any unusual increases or decreases in enrollments,
168 natural disasters, unusual transportation problems, and initial
169 staffing problems.

170 No expenditure in excess of the allowable percentage of
171 growth established in section two (2) of chapter three hundred
172 fifty-six (356), Acts of the Sixty-second General Assembly, shall
173 be used as a base for determining the next year's reimbursable
174 expenditure unless such additional amount has been approved by the
175 budget review committee.

176 Failure by any school district to provide information or
177 appear before the committee as requested for the accomplishment
178 of review or hearing shall constitute justification for the com-
179 mittee to instruct the state comptroller to withhold state aid
180 until said committee's inquiries are satisfied completely."

181 Sec. 15. Chapter three hundred fifty-six (356), section
182 thirty-five (35), Acts of the Sixty-second General Assembly, is
183 hereby repealed and the following enacted in lieu thereof:

184 "Not later than December first each year beginning in Decem-
185 ber, 1970, for the fiscal year beginning July 1, 1971, and ending
186 June 30, 1972, and December first for each fiscal year thereafter,
187 the board of directors of each school corporation shall set a
188 limitation in dollars of the amount the district may spend on each
189 program in the system as defined by the school budget review com-
190 mittee and in the form which they shall so prescribe. This pros-
191 pectus of program and allotted dollars as approved by the board
192 shall govern the superintendent when preparing the proposed budget
193 for that year. These limitations submitted by the board of
194 directors to the superintendent of schools for the district shall
195 be promptly forwarded to the school budget review committee."

196 Sec. 16. Chapter three hundred fifty-six (356), sections
197 fifty (50), fifty-three (53), and fifty-four (54), Acts of the
198 Sixty-second General Assembly, are hereby repealed.

199 Sec. 17. Chapter three hundred fifty-six (356), Acts of the
200 following section:

202 "For the school fiscal year beginning July 1, 1970, and end-
203 ing June 30, 1971, the general fund expenditure per pupil for the
204 fiscal year 1969-1970 shall not be exceeded by more than six
205 point one percent.

206 However, if any school district is required to create any

Done
3

Done
4

House 79

207 new teaching, supervisory, or administrative positions for the
208 fiscal year beginning July 1, 1970, and ending June 30, 1971, in
209 order to comply with section two hundred fifty-seven point twenty-
210 five (257.25) of the Code, the salaries paid to the teachers,
211 supervisors, or administrators employed in such positions shall
212 not be subject to the expenditure limitations provided in this
213 section.

214 Sec. 18. Section two hundred ninety-eight point one (298.1),
215 Code 1966, as amended by Senate File one thousand eighty-three,
216 Acts of the Sixty-third General Assembly, Second Session, is
217 hereby repealed and the following enacted in lieu thereof:

218 "The board of each corporation shall estimate the amount of
219 the proposed expenditures and proposed receipts for the general
220 school purposes at a time and in a manner to effectuate the pro-
221 visions of chapter three hundred fifty-six (356), Acts of the
222 Sixty-second General Assembly. Compliance with chapter twenty-
223 four (24) of the Code shall be observed.

224 Prior to compliance with section twenty-four point nine (24.9)
225 of the Code, the superintendent of the county school systems shall
226 call a joint meeting of school superintendents and school board
227 members for all of the local districts within the county basic
228 school tax unit. The time and place for such joint meetings shall
229 be set by the superintendent of the county school system, and
230 shall so notify the chairman of the school budget review committee.

231 The purpose of the joint meeting shall be for review of the
232 budgets of the several school districts within the county basic
233 school tax units, and for the discussion of common problems within
234 the county basic unit."

235 2. Amend the title by adding after the word "hearings" the
236 following:

237 "; the basic school tax formula and allocation of state
238 equalization aid to public schools; establishment of certain
239 limitation for school district expenses; provision for the pro-
240 gram budgeting development within the individual school districts"

Filed - *adopted as amended*
March 10, 1970 *3/31*

COMMITTEE ON SCHOOLS
CHARLES E. GRASSLEY, Chairman

4

5

1 Amend the committee on schools amendment to Senate
2 File 640, found on pages 859 through 864 of the House Journal
3 of March 10, 1970, by inserting after line 102 the following
4 new section and renumbering the remaining sections:
5 Chapter three hundred fifty-six (356), section thirteen
6 (13), Acts of the Sixty-second General Assembly, as amended
7 by chapter two hundred fifty-seven (257), section one (1),
8 Acts of the Sixty-third General Assembly, First Session, is
9 hereby further amended by inserting in line five (5) after
10 the period the words "For the purpose of this determination,
11 'school' includes public and nonpublic schools."

Filed - *Adopted 3/31*
March 20, 1970

BRINCK of Lee
ELLSWORTH of Dubuque
McCORMICK of Delaware
MILLER of Des Moines
KNOBLAUCH of Carroll
VAN ROEKEL of Marion
KENNEDY of Dubuque

EXPLANATION OF AMENDMENT

This bill establishes three state aid programs, designated as basic aid, foundation aid, and emergency aid. The effect of the first two is to assure that every district will have \$600 per pupil annually without going above a 35-mill property tax levy.

Under certain circumstances a district will be permitted to levy a school district income tax limited to not more than a 25 percent surcharge on state income tax liability of individual residents of the district. The school district income tax must be approved by the electorate. A school tax surcharge of 5 percent is imposed on all corporations taxable by the state.

The bill establishes a 60-mill limit on local property tax for general fund school purposes and a 10 percent limit on budget increases. Emergency aid may be available to districts which are at the 60-mill limit and otherwise qualify, to assure that each district will have at least 85 percent of the state average per pupil expenditure.

1 Amend the committee on schools amendment to Senate File
2 640, found on pages 859 through 864 of the House Journal of
3 March 10, 1970, by striking from lines 156 and 157 the words
4 ", nor will state equalization aid" and inserting in lieu
5 thereof the words ". Also, no state equalization aid shall".

Filed - *Withdrawn 3/31*
March 23, 1970

WELDEN of Hardin

1 Amend the schools committee amendment to Senate File
2 640, filed March 10, 1970, by inserting after line fifty-
3 six (56) the following:
4 "4. Unencumbered balance."

Filed - *Adopted 3/31*
March 26, 1970
In: Schools

STROMER of Hancock

1 Amend the committee on schools amendment to Senate File
2 640, found on pages 859 through 864 of the House Journal of
3 March 10, 1970, as follows:

4 1. Line 156, by inserting after the word "percent"
5 the following: "for the fiscal year beginning July 1, 1970,
6 nor more than ten percent for the fiscal year beginning
7 July 1, 1971, and in any fiscal year thereafter no state
8 equalization aid shall be paid on any expenditure which
9 exceed the adjusted reimbursable state average per pupil
10 expenditure."

11 2. Lines 156 and 157, by striking the words ", nor
12 will state equalization aid" and inserting in lieu thereof
13 the words "Also, no state equalization aid shall".

Filed - *Adapted 3/31*
March 26, 1970

HUFF of Polk

1 Amend the committee on schools amendment to Senate
2 File 640 by inserting after line 180 the following:
3 Sec. 15. Chapter three hundred fifty-six (356), section
4 thirty-four (34), Acts of the Sixty-second General Assembly,
5 is amended by adding the following:

6 "The school budget review committee may authorize the
7 state comptroller to give additional aid to any local school
8 district which meets all of the following criteria:

- 9 1. Its percentage increase in current fall enrollment
10 over its average daily membership for the last preceding
11 school year is at least one and one-half times the average
12 percentage increase of all school districts in the state.
- 13 2. Its per pupil wealth, as determined by subsections
14 one (1) through eight (8), inclusive, of section fourteen (14)
15 of this chapter, is less than seventy-five percent of the
16 average per pupil wealth of all school districts in the state,
17 as determined by subsections nine (9) through sixteen (16),
18 inclusive, of section fourteen (14) of this chapter.
- 19 3. Its total millage levy for school purposes is at
20 least one and one-half times the average total millage levy
21 for school purposes of all school districts in the state."

22 Further amend by renumbering the subsequent sections.

Filed - *Lost 3/31*
March 30, 1970

HUFF of Polk

1 Amend the Huff amendment, dated March 30,
2 1970, to the committee on schools amendment
3 to House File 640, by striking lines thir-
4 teen (13) through eighteen (18) and insert-
5 ing in lieu thereof the following:

6 "2. Its per pupil wealth as determined
7 by section 14 of this chapter is less than
8 seventy-five per cent of the average per
9 pupil wealth of all school districts in the
10 state."

Adapted 3/31

HUFF of Polk

1 Amend the committee on schools amendment to Senate File
2 640, found on pages 859 through 864 of the House Journal of
3 March 10, 1970, by inserting after the period in line 195 the
4 following:

5 The secretary of the board of each school corporation,
6 immediately following a regular or special meeting of the
7 board, shall prepare a condensed statement of the proceedings,
8 including the total expenditure from each fund, and cause the
9 same to be published in a newspaper of general circulation in
10 the school district. Said statement shall include a list of
11 all claims allowed and a summary of all receipts. Failure by
12 the secretary to make such publication shall constitute a pub-
13 lic offense, punishable as a misdemeanor.

Filed
March 30, 1970

FREEMAN of Buena-Vista

1 Amend the committee on schools amendment to Senate
2 File 640, filed March 10, 1970, by adding thereto the
3 following new section:
4 Section two-hundred ninety-one point nine (291.9),
5 subsection one (1), Code 1966, is hereby amended by
6 striking from line five (5), the word "twenty-one" and
7 inserting in lieu thereof the word "nineteen".

Offered from the floor and adopted

March 31, 1970

VAN DRIE of Story

In: Schools

1 Amend the committee on schools amendment to Senate File 640,
2 filed March 10, 1970, by inserting at the end of line 187 after
3 the word "a" the word "tentative".

Offered from the floor and adopted

March 31, 1970

LANGLAND of Winneshiek

1 Amend the committee on schools amendment to Senate File 640,
2 filed March 10, 1970, by adding thereto the following new
3 section:

4 This Act, being deemed of immediate importance, shall take
5 effect and be in force from and after its publication in The
6 Progress-Review, a newspaper published in La Porte City, Iowa,
7 and in the Emmetsburg Reporter, a newspaper published in
8 Iowa. Emmetsburg,

Offered from the floor and adopted

March 31, 1970

VAN DRIE of Story