

FEB 23 1972

HOUSE FILE 1269

Place On Calendar

By COMMITTEE ON SCHOOLS

*Pass 3/9*

Passed House, Date 3-7-72 Passed Senate, Date 3-15-72  
 Vote: Ayes 88 Nays 1 Vote: Ayes 43 Nays 2  
 Approved \_\_\_\_\_

## A BILL FOR

1 An Act amending the state school foundation program in chapter  
 2 one hundred sixty-five (165), Acts of the Sixty-fourth  
 3 General Assembly, First Session, by including in the defi-  
 4 nition of fall enrollment those resident pupils attending  
 5 public schools in another district or state and out-of-state  
 6 pupils attending public schools in the district, and includ-  
 7 ing attendance at special education programs as well as  
 8 classes; excluding from miscellaneous income reimbursement  
 9 received for programs provided under section two hundred  
 10 fifty-seven point twenty-six (257.26) of the Code; permit-  
 11 ting a school district to increase its costs for the single  
 12 school year beginning July 1, 1972, by the amount its fed-  
 13 eral aid increases over the previous year, and to exclude  
 14 the increased amount from miscellaneous income; excluding  
 15 from miscellaneous income beginning July 1, 1973, all fed-  
 16 eral aids and reimbursements; correcting the definition of  
 17 district cost and defining total expenditures for the cur-  
 18 rent year; clarifying the method of determining maximum  
 19 district cost; correcting the method of determining addi-  
 20 tional school district property tax levy; redefining the  
 21 procedure for the school budget review committee to autho-  
 22 rize an increase in maximum millage when a nonpublic school  
 23 closes; clarifying the duties of the school budget review  
 24 committee in reviewing school budgets; and correcting the  
 25 limitation on costs incurred under section two hundred

1 fifty-seven point twenty-six (257.26) of the Code, for  
2 which reimbursement may be claimed.

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

4 Section 1. Chapter one hundred sixty-five (165), section  
5 four (4), unnumbered paragraph one (1), Acts of the Sixty-  
6 fourth General Assembly, First Session, is amended to read  
7 as follows:

8 Sec. 4. FALL ENROLLMENT. Fall enrollment shall be deter-  
9 mined by adding the resident pupils and the out-of-state  
10 pupils who are enrolled on the second Friday of September  
11 of each year in public elementary and secondary schools of  
12 the district, in public elementary and secondary schools in  
13 another district or state for which tuition is paid by the  
14 district, and in special education classes programs for which  
15 tuition is paid by the district whether the special education  
16 class program is conducted by a county board of education  
17 or another school district.

18 Sec. 2. Chapter one hundred sixty-five (165), section  
19 five (5), Acts of the Sixty-fourth General Assembly, First  
20 Session, is amended to read as follows:

21 Sec. 5. MISCELLANEOUS INCOME. Miscellaneous income is  
22 all revenues of a school district general fund budget, exclu-  
23 sive of federal aid provided under title twenty (20), chapter  
24 thirteen (13), of the United States Code, the foundation  
25 property tax, the state school foundation aid, guaranteed  
26 state aid, the additional school district property tax levy,  
27 any supplemental aid distributed by the school budget review  
28 committee, any reimbursement received under the provisions  
29 of chapter one hundred sixty-five (165), section twenty-seven  
30 (27), Acts of the Sixty-fourth General Assembly, First Session,  
31 and any school district income surtax imposed in the district.  
32 Effective for the school year beginning July 1, 1972, and  
33 for that year only, district cost may be increased by the  
34 amount which federal aids received by a district other than  
35 those provided under title twenty (20), chapter thirteen (13),

1 of the United States Code, exceed such federal aids received  
2 by the district in the last preceding school year, and the  
3 excess amount may be excluded from miscellaneous income.  
4 Effective for the school year beginning July 1, 1973, and  
5 for each succeeding school year, miscellaneous income excludes  
6 all federal aids and federal reimbursements.

7 Sec. 3. Chapter one hundred sixty-five (165), section  
8 six (6), Acts of the Sixty-fourth General Assembly, First  
9 Session, is amended to read as follows:

10 Sec. 6. DISTRICT COST. As used in this division, "dis-  
11 trict cost" means the total expenditures for the current year  
12 or anticipated expenditures for the budget year of a district  
13 which are payable from the school general fund, ~~exclusive~~  
14 ~~of federal aid provided under title twenty-(20)-chapter~~  
15 ~~thirteen-(13)-of-the-United-States-Code.~~

16 For the purpose of this section the total expenditures  
17 for the school year beginning July 1, 1971, shall be no more  
18 than the initial budget certified by the school board to the  
19 county auditor, increased by any budget amendment increases  
20 as provided by section twenty-four point nine (24.9) of the  
21 Code, but only if the budget amendment has been approved by  
22 the state appeal board.

23 Sec. 4. Chapter one hundred sixty-five (165), section  
24 nine (9), subsection one (1), paragraphs "b" and "c", Acts  
25 of the Sixty-fourth General Assembly, First Session, are  
26 amended to read as follows:

27 b. The district cost per pupil multiplied by the estimated  
28 number of pupils in fall enrollment for the school year  
29 beginning July first each year, determines the maximum district  
30 cost for each district. A school district may not exceed  
31 its maximum district cost unless additional millage is  
32 authorized or supplemental state aid is distributed to the  
33 district by the school budget review committee as provided  
34 in section thirteen (13), subsection five (5), of this  
35 division, or unless an additional amount is raised by a school

1 district income surtax approved by the voters.

2 c. The district foundation base multiplied by the number  
3 of pupils in fall enrollment, and the product, plus any moneys  
4 excluded from miscellaneous income, subtracted from the lesser  
5 of the actual or maximum district cost for the school year  
6 beginning July first each year, determines the amount to  
7 be raised by the additional school district property tax levy,  
8 subject to the maximum millage provided in section ten (10)  
9 of this division, any additional millage authorized by the  
10 school budget review committee under section thirteen (13),  
11 subsection five (5), paragraph a, of this division, or the  
12 maximum millage reduction provided in section twenty-one (21)  
13 of this division.

14 Sec. 5. Chapter one hundred sixty-five (165), section  
15 thirteen (13), subsection five (5), paragraph "a", and  
16 subsection seven (7), Acts of the Sixty-fourth General  
17 Assembly, First Session, are amended to read as follows:

18 a. If a nonpublic school ~~within-a-district~~ closes wholly  
19 or in part, the committee may authorize an increase in the  
20 school general fund millage beyond the maximum permitted under  
21 section ten (10) of this division, but only to the extent  
22 necessary to cover the cost of absorbing the former nonpublic  
23 school pupils into the public school system. The school board  
24 shall establish the amount of necessary increased cost to  
25 the satisfaction of the school budget review committee before  
26 an increase in millage is authorized.

27 7. The committee, when making ~~recommendations~~ decisions  
28 relating to school budgets, shall consider each district's  
29 circumstances and facts which are unique and unusual, including  
30 but not limited to any unusual increases or decreases in  
31 enrollments, natural disasters, unusual transportation  
32 problems, and initial staffing problems.

33 Sec. 6. Chapter one hundred sixty-five (165), section  
34 twenty-seven (27), unnumbered paragraph three (3), Acts of  
35 the Sixty-fourth General Assembly, First Session, is amended

1 to read as follows:

2 As a condition to receiving reimbursement under this sec-  
3 tion, a school district shall show by affidavit of an officer  
4 of the school board that the amount of reimbursement claimed  
5 by the school district does not exceed one-half of the actual  
6 costs incurred by the district under section two hundred  
7 fifty-seven point twenty-six (257.26) of the Code, ~~and does~~  
8 ~~not include the portion of these costs for which the district~~  
9 ~~received state school foundation aid.~~ The claims for  
10 reimbursement shall be certified by the department of public  
11 instruction to the state comptroller on or before August 31,  
12 1972. On or before September 15, 1972, the state comptroller  
13 shall draw warrants on the fund created by this section,  
14 payable to the school districts which have established claims.  
15 In the event that the amount appropriated is insufficient  
16 to pay in full the total amounts certified to the state  
17 comptroller, he shall prorate the fund and notify each school  
18 district of its pro rata percentage on or before September  
19 15, 1972.

20 EXPLANATION

21 This bill amends the state school foundation program in  
22 chapter 165, Acts of the Sixty-fourth General Assembly, First  
23 Session, by providing that resident pupils attending in another  
24 district or state with tuition paid by the district and out-  
25 of-state pupils attending in the district are included in  
26 fall enrollment, and that education programs as well as classes  
27 are included. It provides that reimbursement for shared-time  
28 programs will be excluded in computing miscellaneous income,  
29 that increased amounts of federal aid over last year may be  
30 added to district cost and will be excluded from miscellaneous  
31 income this year, and that, beginning in 1973, all federal  
32 aids will be excluded from miscellaneous income. Since  
33 miscellaneous income is subtracted before computing state  
34 school foundation aid, an exclusion from miscellaneous income  
35 will generally increase the state aid.

1 The bill also clarifies methods of determining district  
2 cost, total expenditures for the current year, maximum dis-  
3 trict cost, additional school district property tax levy,  
4 duties and procedures of the school budget review committee,  
5 and limitations on shared-time cost reimbursement.

6

1 Amend House File 1269, page 4, line 32, by inserting  
2 after the period the following:  
3 "However, a school corporation which has surplus,  
4 unencumbered moneys from prior years in its general fund  
5 may transfer such moneys to its schoolhouse fund for use  
6 in a designated building project, without the approval of  
7 the state appeal board, if the transfer is approved by the  
8 voters, as provided in section two hundred seventy-eight  
9 point one (278.1) of the Code."

1 Filed and withdrawn  
1 March 15, 1972

By SCHABEN and GAUDINEER

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