

FEB 4 1974

Place On Calendar

Reprinted 2/12
HOUSE FILE 1121

By COMMITTEE ON EDUCATION

Passed House, Date 2-7-74 (369) Passed Senate, Date _____
Vote: Ayes 98 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act amending the state school foundation program by relating
2 expenditures to the lesser of the authorized or certified
3 budget, permitting districts to spend anticipated receipts
4 from an income surtax before actual receipt, establishing
5 allowable growth at eight percent for the school years be-
6 ginning in 1974 and 1975, and providing that no district shall
7 receive less than that amount, providing that, for the years
8 beginning in 1974 and 1975, no school's enrollment will be
9 dropped to less than ninety-eight percent of the prior year's
10 enrollment, authorizing imposition of a school district income
11 surtax by a school board instead of by an election, repealing
12 the maximum millage reduction and a temporary provision, and
13 making technical amendments.

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

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1 Section 1. Section four hundred forty-two point five
2 (442.5), subsection two (2), Code 1973, as amended by Acts
3 of the Sixty-fifth General Assembly, 1973 Session, chapter
4 two hundred fifty-eight (258), section four (4), is further
5 amended to read as follows:

6 2. The proposed expenditures in a certified budget may
7 not exceed the district cost for the budget year plus the
8 anticipated miscellaneous income for the budget year and any
9 unspent balance from the lesser of the preceding base year's
10 certified or authorized budget. Actual expenditures during
11 a school year may not exceed the district cost for that year
12 plus the actual miscellaneous income received for that year
13 and any unspent balance from the lesser of the preceding base
14 year's certified or authorized budget. If actual miscellaneous
15 income for a school year exceeds the anticipated miscellaneous
16 income in the certified budget for that year, a school district
17 may amend its certified budget. A school district which
18 decides to levy an income surtax may include, in the
19 expenditures of the year prior to actual receipt of such
20 funds, an estimation of the yield of the surtax rate. Actual
21 expenditures following the last effective year of the approved
22 surtax must be reduced by the amount of such estimate.

23 Sec. 2. Section four hundred forty-two point seven (442.7),
24 Code 1973, as amended by Acts of the Sixty-fifth General
25 Assembly, 1973 Session, chapter two hundred fifty-eight (258),
26 section six (6), is further amended to read as follows:

27 442.7 ALLOWABLE GROWTH. Each year the state comptroller
28 shall compute the state percent of growth by adding the per-
29 cents of increase for the second and third years of the most
30 recent three-year period for which accurate figures are
31 available, for each of the following sources of revenue, and
32 dividing the total by four:

- 33 1. State general fund revenues, adjusted for changes in
34 rates or basis.
- 35 2. Statewide assessed valuation of taxable property,

1 adjusted for statewide changes in assessment practices.

2 Each year the state comptroller shall compute the dollar
3 equivalent of the state percent of growth by multiplying the
4 state cost per pupil for the ~~preceeding-school~~ base year by
5 the ~~current~~ state percent of growth for the budget year.

6 As used in this chapter, except as otherwise provided in this
7 section, "allowable growth" means the dollar equivalent of
8 the state percent of growth.

9 However, ~~except-as-otherwise-provided-in-this-section,~~
10 the state percent of growth is established at ~~five-percent~~
11 ~~for-the-school-year-beginning-July-1,-1973,-and-the-state~~
12 ~~percent-of-growth-is-limited-to-a-maximum-of-five-percent~~
13 ~~for-the-school-year-beginning-July-1,-1974~~ eight percent for
14 the school years beginning July 1, 1974, and July 1, 1975.

15 For the school years beginning July 1, 1974, and July 1,
16 1975, each school district whose district cost per pupil is
17 in excess of one hundred ten percent of the state cost per
18 pupil for the budget year, is entitled to a minimum "allow-
19 able growth" of the dollar equivalent of the state percent
20 of growth.

21 For each school district whose district cost per pupil
22 is below the state cost per pupil for the budget year, "allow-
23 able growth" means the lesser of the dollar equivalent of
24 the state percent of growth multiplied by one hundred twenty-
25 five percent, or the amount required to make the district
26 cost per pupil equal to the state cost per pupil.

27 If the school budget review committee has established a
28 modified allowable growth for a district, "allowable growth"
29 for the district means its modified allowable growth.

30 Sec. 3. Section four hundred forty-two point nine (442.9),
31 subsection one (1), paragraphs b and c, Code 1973, as amended
32 by Acts of the Sixty-fifth General Assembly, 1973 Session,
33 chapter two hundred fifty-eight (258), section eight (8),
34 are further amended to read as follows:

35 b. The district cost for the budget year is equal to the

1 district cost per pupil for the budget year multiplied by
2 the enrollment, except that for the budget years beginning
3 July 1, 1974, and July 1, 1975, the enrollment used shall
4 be not less than ninety-eight percent of the enrollment used
5 for the base year. A school district may not increase its
6 district cost for the budget year except to the extent that
7 excess millage is authorized by the school budget review
8 committee as provided in section 442.13, subsection ~~eight-(8)~~
9 seven (7).

10 c. The amount to be raised by the additional school dis-
11 trict property tax levy is equal to the district cost for
12 the budget year, less the product of the state or district
13 foundation base and the enrollment. However, said amount
14 shall be adjusted in accordance with the maximum millage
15 provided in section 442.10 ~~and the maximum millage reduc-~~
16 ~~tion provided in section 442.24.~~

17 Sec. 4. Section four hundred forty-two point ten (442.10),
18 Code 1973, as amended by Acts of the Sixty-fifth General
19 Assembly, 1973 Session, chapter two hundred fifty-eight (258),
20 section nine (9), is further amended to read as follows:

21 442.10 MAXIMUM MILLAGE LEVY. For the purpose of deter-
22 mining the maximum millage levy for the general fund in a
23 school district, the state comptroller shall determine the
24 sum of the foundation property tax levy and the additional
25 property tax levy, in mills. When this total millage levy
26 exceeds the district general fund levy in mills for the school
27 year which began July 1, 1970, he shall adjust the district
28 general fund millage levy to a rate equal to the millage levy
29 for the school year beginning July 1, 1970, except that excess
30 millage authorized by the school budget review committee,
31 as provided in section 442.13, subsection ~~eight-(8)~~ seven (7),
32 may be added to that rate.

33 Sec. 5. Section four hundred forty-two point thirteen
34 (442.13), subsection four (4), Code 1973, as amended by Acts
35 of the Sixty-fifth General Assembly, 1973 Session, chapter

1 two hundred fifty-eight (258), section eleven (11), is further
2 amended to read as follows:

3 4. If the district cost per pupil exceeds one hundred
4 ten percent of the state cost per pupil, the committee shall
5 establish a modified allowable growth by reducing the allow-
6 able growth, subject to the minimum for the school years
7 beginning July 1, 1974, and July 1, 1975, as provided in
8 section four hundred forty-two point seven (422.7) of the
9 Code. In making decisions under this subsection, the commit-
10 tee shall permit allowable growth to the extent necessary
11 to prevent severe hardship to a district whose district cost
12 per pupil would not have exceeded one hundred ten percent
13 of the state cost per pupil if miscellaneous income were
14 included in computations under this chapter to the same extent
15 that it was included for the school year beginning July 1,
16 1972.

17 Sec. 6. Section four hundred forty-two point fourteen
18 (442.14), Code 1973, as amended by Acts of the Sixty-fifth
19 General Assembly, 1973 Session, chapter two hundred fifty-
20 eight (258), section twelve (12), is further amended to read
21 as follows:

22 442.14 ELECTION FOR SCHOOL DISTRICT INCOME SURTAX. If
23 a school board wishes to spend more than is permitted under
24 sections four hundred forty-two point one (442.1) through
25 four hundred forty-two point thirteen (442.13) of the Code,
26 after review by the school budget review committee, ~~the board~~
27 ~~may submit to the voters of the school district, at a regular~~
28 ~~or special school election held not later than September~~
29 ~~fifteenth, the question of whether the proposed budget shall~~
30 ~~be approved and the excess amount may be~~ financed by a school
31 district income surtax of a specified rate.

32 ~~If a majority of those voting approves the proposed budget~~
33 ~~and the specified school district income surtax rate, the~~
34 The surtax, determined as provided in section 442.15, may
35 be imposed by resolution of the school board.

1 ~~If the proposed budget and surtax do not receive approval~~
2 ~~by a majority of those voting, the school board shall reduce~~
3 ~~its proposed expenditures to an amount which does not exceed~~
4 ~~its district cost plus miscellaneous income and any unspent~~
5 ~~balance from the preceding year's budget.~~

6 ~~The school board shall certify the result of an election~~
7 ~~required under this section to the county auditor, the school~~
8 ~~budget review committee, and the director of revenue, within~~
9 ~~ten days following the election.~~ If a school district income
10 surtax is ~~approved~~ imposed, the school board shall publish
11 notice of the surtax rate, as provided in chapter 618.

12 Sec. 7. Section four hundred forty-two point fifteen
13 (442.15), subsections two (2) and three (3), as amended by
14 Acts of the Sixty-fifth General Assembly, 1973 Session, chapter
15 two hundred fifty-eight (258), section thirteen (13), is
16 further amended to read as follows:

17 2. A school district income surtax rate ~~approved by the~~
18 ~~voters~~, or as much of it as may be necessary, shall continue
19 to be in effect in that school district until the school board
20 finds that the surtax or a part of it is unnecessary, ~~or until~~
21 ~~the amount of the surtax is altered by another election.~~
22 ~~If a school board wishes to increase the school district~~
23 ~~income surtax rate, the school board may hold another election~~
24 ~~to submit the question of whether to increase the surtax rate~~
25 ~~for the district, and may increase the rate only if an increase~~
26 ~~is approved by a majority of those voting.~~

27 3. ~~At least once every five years, if a school district~~
28 ~~income surtax is found to be necessary, the school board shall~~
29 ~~submit to the voters of the school district, at a regular~~
30 ~~or special school election held not later than September fif-~~
31 ~~teenth, the question of whether to continue imposition of~~
32 ~~the established rate of school district income surtax or of~~
33 ~~a lesser rate as necessary. If a majority of those voting~~
34 ~~does not approve the proposed school district income surtax~~
35 ~~rate, the school board shall reduce its proposed expenditures~~

1 ~~to an amount which does not exceed its district cost plus~~
2 ~~miscellaneous income and any unspent balance from the preceding~~
3 ~~year's budget.~~

4 Sec. 8. Acts of the Sixty-fifth General Assembly, 1973
5 Session, chapter two hundred fifty-eight (258), section seven-
6 teen (17), and section four hundred forty-two point twenty-
7 one (442.21), Code 1973, as amended by Acts of the Sixty-fifth
8 General Assembly, 1973 Session, chapter two hundred fifty-
9 eight (258), section fourteen (14), are repealed.

10 Sec. 9. This Act, being deemed of immediate importance,
11 shall take effect and be in force from and after its publi-
12 cation in _____, a newspaper published in
13 _____, Iowa, and in _____, a
14 newspaper published in _____, Iowa.

15 EXPLANATION

16 This bill amends the school foundation program as fol-
17 lows:

18 1. The limit on proposed expenditures which is based
19 partly on the unspent balance in the previous year's budget
20 will be on the smaller unspent balance in the budget, either
21 as certified or as finally authorized.

22 2. A school district which levies an income surtax may
23 include the anticipated receipts from the surtax in its expen-
24 ditures prior to actually receiving them, and then must drop
25 them out during the last year they are actually received.

26 3. Allowable growth will be 8% for the years beginning
27 in 1974 and 1975, and no school district will receive less
28 than this amount.

29 4. For the years beginning in 1974 and 1975 no school's
30 enrollment will be dropped below 98% of the prior year's
31 enrollment.

32 5. A school district income tax will be authorized, if
33 needed, by vote of the school board rather than by an elec-
34 tion of the people.

35 6. The special provision in last session's Act which

1 related only to the school year ending last July, is repealed.

2 7. The maximum millage reduction, which was only for one
3 more year, is repealed.

4

H-2106

1 Amend House File 1121 as follows:

2 1. Page 4, by striking lines 33 through 35, and
3 page 5 by striking lines 1 and 2, and inserting in
4 lieu thereof the following:

5 Sec. 5. Chapter two hundred fifty-eight (258),
6 Acts of the Sixty-fifth General Assembly, first
7 session 1973, section eleven (11), subsection four
8 (4), amending section four hundred forty-two point
9 thirteen (442.13), Code 1973, is amended as follows:

10 2. Page 7, by striking all of lines 10 through
11 14.

H-2106 Filed - *Adopted 2/5*
February 5, 1974

By STROMER of Hancock

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HOUSE FILE 1121

H-2127

1 Amend House File 1121 as follows:

2 1. Page 2, by striking line 1 and inserting in
3 lieu thereof the following:

4 "Section 1. Section four hundred forty-two point
5 two (442.2), Code 1973, as amended by Acts of the
6 Sixty-fifth General Assembly, 1973 Session, chapter
7 two hundred fifty-four (254), section five (5) and
8 chapter two hundred fifty-five (255), section five
9 (5), is further amended by adding the following new
10 unnumbered paragraph:

11 NEW UNNUMBERED PARAGRAPH. In determining the assessed
12 valuation of all taxable property in a district, the
13 state comptroller shall include in the total assessed
14 valuation of the district for the purpose of computing
15 state school aid, the assessed valuation of the property
16 of municipally-owned gas and electric utilities in the
17 district not subject to assessment under chapter four
18 hundred thirty-seven (437) of the Code. The director of
19 revenue shall certify to the state comptroller the
20 assessed valuation of the property of municipally-owned
21 gas and electric utilities not subject to assessment
22 under chapter four hundred thirty-seven (437) of the
23 Code in each district as determined by using the assessed
24 value per meter in service of an investor-owned utility
25 located in the state of Iowa and apply this assessed
26 value to the meters in service of the municipally-
27 owned utilities. The state comptroller shall compute
28 the foundation property tax of twenty mills on the
29 assessed valuation of all taxable property in the
30 district including the assessed valuation of
31 municipally-owned utility property. The foundation
32 property tax of twenty mills shall not be levied
33 against municipally-owned utility property not subject
34 to assessment under chapter four hundred thirty-seven
35 (437) of the Code but shall be included in the district
36 property tax base for purposes of determining the
37 district's state aid.

38 Sec. 2. Section four hundred forty-two point five".

39 2. By renumbering the remaining sections and
40 correcting internal references in accordance with this
41 amendment.

42 3. Amend the title, page 1, line 1, by inserting
43 after the word "by" the words "providing for the
44 inclusion of municipally-owned utilities in assessed
45 valuation for the purpose of determining state aid,".

HOUSE FILE 1121

H-2124

1 Amend House File 1121 as follows:

2 1. Page 2, by striking lines 27 through 35, and
3 page 3, by striking line 1, and inserting in lieu thereof
4 the following:

5 442.7 ALLOWABLE GROWTH. ~~Each-year-the-state~~
6 ~~comptroller-shall-compute-the-state-percent-of-growth~~
7 ~~by-adding-the-percents-of-increase-for-the-second-and~~
8 ~~third-years-of-the-most-recent-three-year-period-for~~
9 ~~which-accurate-figures-are-available-for-each-of-the~~
10 ~~following-sources-of-revenue,-and-dividing-the-total~~
11 ~~by-four:~~

12 1.---~~State-general-fund-revenues,-adjusted-for~~
13 ~~changes-in-rates-or-basis.~~

14 2.---~~Statewide-assessed-valuation-of-taxable-property,~~
15 ~~adjusted-for-statewide-changes-in-assessment-practices.~~

16 The state percent of growth is established at eight
17 percent for the school year beginning July 1, 1974.

18 For each succeeding school year, the state comptroller
19 shall compute the state percent of growth as follows:

20 1. A state revenue growth percent shall be deter-
21 mined by averaging the percents of increase for the
22 second and third years of the most recent three-year
23 period for which accurate figures are available, in
24 the state general fund revenues, adjusted for changes
25 in rates or basis, and the statewide assessed valua-
26 tion of taxable property, adjusted for statewide changes
27 in assessment practices.

28 2. An economic index percent shall be determined
29 by computing an annual inflation or deflation projec-
30 tion for the ensuing fiscal year, based on the most
31 current economic indexes at the disposal of the state
32 comptroller.

33 3. The average of the state revenue growth percent
34 and the economic index percent shall be the state per-
35 cent of growth.

36 2. Page 3, by striking lines 9 through 14 and in-
37 sserting in lieu thereof the following:

38 ~~However,-except-as-otherwise-provided-in-this-sec-~~
39 ~~tion,-the-state-percent-of-growth-is-established-at~~
40 ~~five-percent-for-the-school-year-beginning-July-1,-1973,~~
41 ~~and-the-state-percent-of-growth-is-limited-to-a-maxi-~~
42 ~~mum-of-five-percent-for-the-school-year-beginning~~
43 ~~July-1,-1974.~~

44 3. Amend the title, page 1, by striking lines 5,
45 6 and 7 and inserting in lieu thereof the following:

46 "the state percent of growth at eight percent for
47 the school year beginning in 1974, establishing a
48 different method for computing the state percent of
49 growth in succeeding years, providing that no district
50 shall receive less than the dollar equivalent of the
51 state percent of growth for the years beginning in
52 1974 and 1975, providing that for the years".

H-2136

1 Amend House File 1121 as follows:

2 1. Page 2, by striking line 1 and inserting in lieu
3 thereof the following:

4 Section 1. Section four hundred forty-two point one
5 (442.1), Code 1973, as amended by Acts of the Sixty-
6 fifth General Assembly, 1973 Session, chapter two hundred
7 fifty-eight (258), section one (1), is further amended
8 to read as follows:

9 442.1 STATE SCHOOL FOUNDATION PROGRAM. This chap-
10 ter establishes a state school foundation program. For
11 each school year, each school district in the state is
12 entitled to receive state school foundation aid, which
13 shall be an amount per pupil equal to the difference
14 between the amount per pupil of foundation property tax
15 in the district, and the state foundation base or the
16 district cost per pupil, whichever is less. However,
17 ~~for the school years beginning July 1, 1973, and July~~
18 ~~1, 1974, only,~~ if the amount so determined for any
19 district is less than two hundred dollars per pupil,
20 the district is entitled to receive not less than two
21 hundred dollars per pupil except when a district's
22 total general fund millage rate is reduced to ninety
23 percent or less of the district's total general fund
24 millage rate for the school year beginning July 1, 1970.
25 In this case the district is entitled to receive only
26 that portion of the two hundred dollars per pupil neces-
27 sary to retain that ten percent reduction. In making
28 computations and payments under this chapter, the state
29 comptroller shall round amounts to the nearest whole
30 dollars.

31 Sec. 2. Section four hundred forty-two point five.

32 2. Amend the title, page 1, line 1, by inserting
33 after the word "by" the words "continuing the two
34 hundred dollar per pupil minimum beyond the school
35 year beginning in 1974,".

H-2136 Filed and adopted
February 7, 1974

By KRAUSE of Palo Alto
HANSEN of O'Brien
MILLER of Calhoun
BRANDSTAD of Winnebago
MENKE of O'Brien

H-2147

1 Amend House File 1121 as follows:

2 1. Page 4, line 2, by striking the words
3 "for the budget years".

4 2. Page 4, line 3, by striking the following:
5 "July 1, 1975" and inserting in lieu thereof the
6 following: "each year thereafter".

H-2147 Filed and lost
February 7, 1974

By BENNETT of Ida
KRAUSE of Palo Alto

H-2133

1 Amend House File 1121, page 2, line 31, by insert-
2 ing after the word "following" the word "individual".

H-2133 Filed and adopted
February 7, 1974

By STROMER of Hancock
MENNENGA of Clinton
BYERLY of Polk
STANLEY of Muscatine

H-2137

1 Amend House File 1121 as follows:

- 2 1. Page 2, by striking lines 6 through 14 and
3 inserting in lieu thereof the following:
4 "2. ~~The-proposed-expenditures-in-a-certified-bud-~~
5 ~~get-may-not-exceed-the-district-cost-for-the-budget~~
6 ~~year-plus-the-anticipated-miscellaneous-income-for~~
7 ~~the-budget-year-and-any-unspent-balance-from-the~~
8 ~~preceding-year's-budget.---Actual~~ The authorized
9 expenditures during a school year may not exceed the
10 lesser of the budget for that year certified under
11 section twenty-four point seventeen (24.17) plus
12 any allowable amendments permitted in this section
13 of the Code, or the sum of the district cost for that
14 year plus the actual miscellaneous income received
15 for that year and any plus the actual unspent balance
16 from the preceding year's-budget year. If actual
17 miscellaneous".
- 18 2. Amend the title, page 1, lines 1, 2, and 3,
19 by striking the words "relating expenditures to the
20 lesser of the authorized or certified budget" and
21 inserting in lieu thereof the words "defining author-
22 ized expenditures".

H-2137 Filed and adopted
February 7, 1974

By BYERLY of Polk
STROMER of Hancock

H-2138

- 1 Amend the Krause amendment H-2136, to House File 1121
2 by striking from lines 21 through 27 the following:
3 "except when a district's total general fund millage
4 rate is reduced to ninety percent or less of the
5 district's total general fund millage rate for the
6 school year beginning July 1, 1970. In this case the
7 district is entitled to receive only that portion of
8 the two hundred dollars per pupil necessary to
9 retain that ten percent reduction" and inserting
10 in lieu thereof the following: "~~except-when-a-district's~~
11 ~~total-general-fund-millage-rate-is-reduced-to-ninety~~
12 ~~percent-or-less-of-the-district's-total-general-fund~~
13 ~~millage-rate-for-the-school-year-beginning-July-1,~~
14 ~~1970.---In-this-case-the-district-is-entitled-to~~
15 ~~receive-only-that-portion-of-the-two-hundred-dollars~~
16 ~~per-pupil-necessary-to-retain-that-ten-percent~~
17 ~~reduction".~~

H-2138 Filed and lost
February 7, 1974

By HARVEY of Scott

H-2129

- 1 Amend the Crawford amendment, H-2125 to House
2 File 1121 as follows:
3 1. Line 6, by striking the words "increase
4 or".
5 2. Line 13, by striking the words "increase
6 or".

H-2129 Filed and adopted
February 7, 1974

By PATCHETT of Johnson
STROMER of Hancock
CRAWFORD of Story
MENNENGA of Clinton

H-2132-A

1 Amend House File 1121 as follows:

2 1. Page 3, by striking lines 13 and 14 and insert-
3 ing in lieu thereof the following:
4 "nine percent for the school year beginning July 1,
5 1974, and eight percent for the school year beginning
6 July 1, 1975.

H-2132-B

7 2. Page 3, line 31, by striking the words "para-
8 graphs b and c" and inserting in lieu thereof the words
9 "paragraph b".

10 3. Page 3, line 34, by striking the word "are" and
11 inserting in lieu thereof the word "is".

12 4. Page 4, by striking lines 10 through 16.

13 5. Page 7, by striking lines 6 through 9 and in-
14 serting in lieu thereof the following:

15 "teen (17) is repealed."

16 6. Page 1, amend the title by striking lines 5 and
17 6 and inserting in lieu thereof the following:

18 "allowable growth at nine percent for the school
19 year beginning in 1974 and eight percent for the school
20 year beginning in 1975, and providing that no district
21 shall".

22 7. Page 1, line 12, by striking the words "the
23 maximum millage reduction and".

24 8. By renumbering sections and correcting internal
25 references in accordance with this amendment.

H-2132-A Filed and lost
H-2132-B Filed and withdrawn
February 7, 1974

By HORN of Linn
CARR of Dubuque
O'HALLORAN of Black Hawk

H-2135

1 Amend House File 1121 as follows:

2 1. Page 4, by striking lines 2 through 5 and
3 inserting in lieu thereof the following:

4 "the enrollment, except that if the enrollment is
5 less for the budget year than for the base year, an
6 enrollment decrease of two percent or less of the
7 base year's enrollment shall be disregarded, and if
8 the enrollment decreases by more than two percent of
9 the base year's enrollment, the portion of the
10 decrease equal to two percent of the base year's en-
11 rollment shall be disregarded. A school district
12 may not increase its".

13 2. Amend the title, page 1, lines 7, 8, 9, and
14 10, by striking the words "providing that, for the
15 years beginning in 1974 and 1975, no school's enroll-
16 ment will be dropped to less than ninety-eight percent
17 of the prior year's enrollment" and inserting in lieu
18 thereof the words "the first two percent of enrollment
19 decrease shall be disregarded".

H-2135 Filed and lost
February 7, 1974

By MENNENGA of Clinton
BYERLY of Polk

A-2131-A

1 Amend House File 1121 as follows:

2 1. Page 2, by striking line 1 and inserting in
3 lieu thereof the following:

4 "Section 1. Section four hundred forty-two point
5 three (442.3), Code 1973, as amended by Acts of the
6 Sixty-fifth General Assembly, 1973 Session, chapter
7 two hundred fifty-eight (258), section two (2), is
8 further amended to read as follows:

9 442.3 STATE FOUNDATION BASE. The state foundation
10 base for the school year beginning July 1, 1972, is
11 seventy percent of the state cost per pupil. For each
12 succeeding school year the state foundation base shall
13 be increased by the amount of one percent of the state
14 cost per pupil, up to a maximum of eighty percent of
15 the state cost per pupil, except that for the school
16 year beginning July 1, 1974, the state foundation base
17 is seventy-three percent of the state cost per pupil
18 and it shall remain at seventy-three percent for the
19 school year beginning July 1, 1975. The district
20 foundation base is the larger of the state foundation
21 base or the amount per pupil which the district will
22 receive from foundation property tax and state school
23 foundation aid.

24 Sec. 2. Section four hundred forty-two point
25 five".

H-2131-B

26 2. Page 3, line 31, by striking the words "para-
27 graphs b and c" and inserting in lieu thereof the words
28 "paragraph b".

29 3. Page 3, line 34, by striking the word "are"
30 and inserting in lieu thereof the word "is".

31 4. Page 4, by striking lines 10 through 16.

32 5. Page 7, by striking lines 6 through 9 and in-
33 sserting in lieu thereof the following:

34 "teen (17), is repealed."

35 6. Page 1, line 1, amend the title by inserting
36 after the word "by" the words "increasing the state
37 foundation base for one year,".

38 7. Page 1, line 12, amend the title by striking
39 the words "the maximum millage reduction and".

40 8. By renumbering sections and correcting internal
41 references in accordance with this amendment.

H-2131-A Filed and lost

By HORN of Linn

H-2131-B Filed and withdrawn

CARR of Dubuque

February 7, 1974

CONNORS of Polk

H-2134

1 Amend House File 1121 as follows:

2 1. Page 4, line 2, by striking the words
3 "for the budget years".

4 2. Page 4, line 3, by striking the following:
5 ", and July 1, 1975,".

H-2134 Filed and withdrawn
February 7, 1974

By BENNETT of Ida
KRAUSE of Palo Alto

H-2123

1 Amend House File 1121 as follows:

2 1. Page 2, by striking line 1 and inserting in
3 lieu thereof the following:

4 Section 1. Section four hundred forty-two point
5 four (442.4), unnumbered paragraph one (1), Code 1973,
6 as amended by Acts of the Sixty-fifth General Assembly,
7 1973 Session, chapter two hundred fifty-eight (258),
8 section three (3), is further amended to read as
9 follows:

10 "Except as otherwise provided in this section, en-
11 rollment shall be determined by adding the resident
12 pupils who are enrolled on the second Friday of
13 January in the base year or the second Friday of
14 September in the budget year, whichever number is
15 larger, in public elementary and secondary schools of
16 the district, in public elementary and secondary schools
17 in another district or state for which tuition is paid
18 by the district, and in special education programs ~~for~~
19 ~~which-tuition-is-paid-by-the-district-whether-the~~
20 ~~special-education-program-is~~ conducted by a county board
21 of education ~~or-another-school-district~~. The September
22 enrollment may be estimated for budget purposes but
23 actual enrollment shall be used for final computations.
24 If actual September enrollment is higher than the en-
25 rollment estimated for the certified budget, the
26 certified budget may be amended as provided in section
27 twenty-four point nine (24.9) of the Code.

28 Sec. 2. Section four hundred forty-two point five".

29 2. By renumbering the remaining sections and cor-
30 recting internal references in accordance with this
31 amendment.

32 3. Amend the title, page 1, line 1, by inserting
33 after the word "by" the words "adjusting the method
34 of determining enrollment in special education
35 programs".

H-2123 Filed - *Adopted 2/7*
February 6, 1974

By DUNTON of Keokuk

H-2125

1 Amend House File 1121 as follows:

2 1. Page 4, lines 3, 4 and 5, by striking the words
3 "the enrollment used shall be not less than ninety-
4 eight percent of the enrollment used for the base year"
5 and inserting in lieu thereof the words "fifty percent
6 of the enrollment increase or decrease, between the
7 base year and the budget year, shall be disregarded in
8 computing enrollment".

9 2. Amend the title, page 1, lines 8, 9 and 10, by
10 striking the words "no school's enrollment will be
11 dropped to less than ninety-eight percent of the prior
12 year's enrollment" and inserting in lieu thereof the
13 words "fifty percent of the enrollment increase or
14 decrease shall be disregarded".

H-2125 Filed - *Lost 2/7*
February 6, 1974

By CRAWFORD of Story

H-2120

- 1 Amend House File 1121 as follows:
- 2 1. Page 2, line 17, by striking the word "which".
- 3 2. Page 2, line 18, by striking the word "decides"
- 4 and inserting in lieu thereof the words "receiving
- 5 voter approval".
- 6 3. Page 5, by striking lines 17 through 35, by
- 7 striking page 6, and by striking lines 1 through 3 on
- 8 page 7.
- 9 4. Page 1, amend the title by striking from lines
- 10 10 and 11 the words "authorizing imposition of a
- 11 school district income surtax by a school board instead
- 12 of by an election,".
- 13 5. By renumbering sections and correcting internal
- 14 references in accordance with this amendment.

H-2120 Filed - *Adopted 2/7*
February 6, 1974

By KREAMER of Polk
HOLDEN of Scott
NORPEL of Jackson
MILLER of Calhoun
MIDDLESWART of Warren
DEN HERDER of Sioux
KNOKE of Pottawattamie
READINGER of Polk

H-2126

- 1 Amend the title to House File 1121, page 1, by
- 2 striking lines 5 through 9 and inserting in lieu there-
- 3 of the following:
- 4 ", for the school years beginning in 1974 and 1975,
- 5 that the state percent of growth will be eight percent,
- 6 that no school district will receive less than the
- 7 dollar equivalent of the state percent of growth, and
- 8 that no school's enrollment will be dropped to less
- 9 than ninety-eight percent of the prior year's".

H-2126 Filed - *Adopted 2/7*
February 6, 1974

By STROMER of Hancock

H-2112

- 1 Amend House File 1121, page 4, line 3, by
- 2 inserting after "1975," the words "fifty percent
- 3 of the enrollment decrease, between the base year
- 4 and the budget year, shall be disregarded in
- 5 computing enrollment for the budget year, and".

H-2112 Filed - *Last 2/7*
February 6, 1974

By PATCHETT of Johnson
MENNENGA of Clinton

February 12, 1974
Law. School 2/15, Pass per 2295 3/1

HOUSE FILE 1121

By COMMITTEE ON EDUCATION

(AS AMENDED AND PASSED BY THE HOUSE)

Passed House, Date 3-18-74 Passed Senate, Date 3-6-74 (651)
Vote: Ayes 78 Nays 12 Vote: Ayes 46 Nays 2

Approved April 19, 1974
Passed per Conference Committee Report 4-2-74 (408) 87-0
Passed per Conference Committee Report 4-2-74 (1138) 42-01

A BILL FOR

- 1 An Act amending the state school foundation program by
- 2 continuing the two hundred dollar per pupil minimum beyond
- 3 the school year beginning in 1974, adjusting the method
- 4 of determining enrollment in special education programs,
- 5 defining authorized expenditures, permitting districts
- 6 to spend anticipated receipts from an income surtax
- 7 before actual receipt, establishing, for the school years
- 8 beginning in 1974 and 1975, that the state percent of
- 9 growth will be eight percent, that no school district will
- 10 receive less than the dollar equivalent of the state
- 11 percent of growth, and that no school's enrollment will be
- 12 dropped to less than ninety-eight percent of the prior
- 13 year's enrollment, repealing the maximum millage reduction
- 14 and a temporary provision, and making technical amendments.
- 15 *Be It Enacted by the General Assembly of the State of Iowa:*

Conference Committee
Reps. Stromer, Daggert,
Hansen, Miller of
Calhoun, and Poney.
3/25 (1220)

Senators Hansen, Griffin,
Anderson, Scott, Goddard
3/25 (990)

1 Section 1. Section four hundred forty-two point one
2 (442.1), Code 1973, as amended by Acts of the Sixty-fifth
3 General Assembly, 1973 Session, chapter two hundred
4 fifty-eight (258), section one (1), is further amended to
5 read as follows:

6 442.1 STATE SCHOOL FOUNDATION PROGRAM. This chapter
7 establishes a state school foundation program. For each
8 school year, each school district in the state is entitled
9 to receive state school foundation aid, which shall be
10 an amount per pupil equal to the difference between the
11 amount per pupil of foundation property tax in the district,
12 and the state foundation base or the district cost per pupil,
13 whichever is less. However, [for the school years
14 beginning July 1, 1973, and July 1, 1974, only,] if the
15 amount so determined for any district is less than two
16 hundred dollars per pupil, the district is entitled to
17 receive not less than two hundred dollars per pupil except
18 when a district's total general fund millage rate is reduced
19 to ninety percent or less of the district's total general
20 fund millage rate for the school year beginning July 1, 1970.
21 In this case the district is entitled to receive only that
22 portion of the two hundred dollars per pupil necessary to
23 retain that ten percent reduction. In making computations
24 and payments under this chapter, the state comptroller shall
25 round amounts to the nearest whole dollar.

26 Sec. 2. Section four hundred forty-two point four
27 (442.4), unnumbered paragraph one (1), Code 1973, as
28 amended by Acts of the Sixty-fifth General Assembly, 1973
29 Session, chapter two hundred fifty-eight (258), section
30 three (3), is further amended to read as follows:

31 "Except as otherwise provided in this section, en-
32 rollment shall be determined by adding the resident pupils
33 who are enrolled on the second Friday of January in the
34 base year or the second Friday of September in the budget
35 year, whichever number is larger, in public elementary

36 and secondary schools of the district, in public elementary
37 and secondary schools in another district or state for
38 which tuition is paid by the district, and in special
39 education programs [for which tuition is paid by the
40 district whether the special education program is] conducted
41 by a county board of education [or another school district].
42 The September enrollment may be estimated for budget purposes
43 but actual enrollment shall be used for final computations.
44 If actual September enrollment is higher than the
45 enrollment estimated for the certified budget, the certified
46 budget may be amended as provided in section twenty-four
47 point nine (24.9) of the Code.

48 Sec. 3. Section four hundred forty-two point five
49 (442.5), subsection two (2), Code 1973, as amended by Acts
50 of the Sixty-fifth General Assembly, 1973 Session, chapter
51 two hundred fifty-eight (258), section four (4), is further
52 amended to read as follows:

53 2. [The proposed expenditures in a certified budget
54 may not exceed the district cost for the budget year
55 plus the anticipated miscellaneous income for the
56 budget year and any unspent balance from the preceding
57 year's budget. Actual] *The authorized expenditures*
58 *during a school year may not exceed the lesser of the*
59 *budget for that year certified under section twenty-*
60 *four point seventeen (24.17) plus any allowable*
61 *amendments permitted in this section of the Code, of the*
62 *sum of the district cost for that year plus the actual*
63 *miscellaneous income received for that year [and any] plus*
64 *the actual unspent balance from the preceding [year's*
65 *budget] year. If actual miscellaneous*
66 *income for a school year exceeds the anticipated miscellaneous*
67 *income in the certified budget for that year, a school district*
68 *may amend its certified budget. A school district*
69 *receiving voter approval*
70 *to levy an income surtax may include, in the*

71 *expenditures of the year prior to actual receipt of such*
72 *funds, an estimation of the yield of the surtax rate. Actual*
73 *expenditures following the last effective year of the approved*
74 *surtax must be reduced by the amount of such estimate.*

75 Sec. 4. Section four hundred forty-two point seven (442.7),
76 Code 1973, as amended by Acts of the Sixty-fifth General
77 Assembly, 1973 Session, chapter two hundred fifty-eight (258),
78 section six (6), is further amended to read as follows:

79 442.7 ALLOWABLE GROWTH. Each year the state comptroller
80 shall compute the state percent of growth by adding the per-
81 cents of increase for the second and third years of the most
82 recent three-year period for which accurate figures are
83 available, for each of the following *individual*
84 sources of revenue, and
85 dividing the total by four:

- 86 1. State general fund revenues, adjusted for changes in
87 rates or basis.
- 88 2. Statewide assessed valuation of taxable property,

1 adjusted for statewide changes in assessment practices.

2 Each year the state comptroller shall compute the dollar
3 equivalent of the state percent of growth by multiplying the
4 state cost per pupil for the [preceding school] *base year* by
5 the [current] state percent of growth *for the budget year*.
6 As used in this chapter, *except as otherwise provided in this*
7 *section*, "allowable growth" means the dollar equivalent of
8 the state percent of growth.

9 However, [except as otherwise provided in this section,]
10 the state percent of growth is established at [five percent
11 for the school year beginning July 1, 1973, and the state
12 percent of growth is limited to a maximum of five percent
13 for the school year beginning July 1, 1974] *eight percent for*
14 *the school years beginning July 1, 1974, and July 1, 1975.*

15 *For the school years beginning July 1, 1974, and July 1,*
16 *1975, each school district whose district cost per pupil is*
17 *in excess of one hundred ten percent of the state cost per*
18 *pupil for the budget year, is entitled to a minimum "allow-*
19 *able growth" of the dollar equivalent of the state percent*
20 *of growth.*

21 For each school district whose district cost per pupil
22 is below the state cost per pupil for the budget year, "allow-
23 able growth" means the lesser of the dollar equivalent of
24 the state percent of growth multiplied by one hundred twenty-
25 five percent, or the amount required to make the district
26 cost per pupil equal to the state cost per pupil.

27 If the school budget review committee has established a
28 modified allowable growth for a district, "allowable growth"
29 for the district means its modified allowable growth.

30 Sec. 5. Section four hundred forty-two point nine (442.9),
31 subsection one (1), paragraphs b and c, Code 1973, as amended
32 by Acts of the Sixty-fifth General Assembly, 1973 Session,
33 chapter two hundred fifty-eight (258), section eight (8),
34 are further amended to read as follows:

35 b. The district cost for the budget year is equal to the

1 district cost per pupil for the budget year multiplied by
2 the enrollment, *except that for the budget years beginning*
3 *July 1, 1974, and July 1, 1975, the enrollment used shall*
4 *be not less than ninety-eight percent of the enrollment used*
5 *for the base year.* A school district may not increase its
6 district cost for the budget year except to the extent that
7 excess millage is authorized by the school budget review
8 committee as provided in section 442.13, subsection [eight (8)]
9 *seven (7).*

10 c. The amount to be raised by the additional school dis-
11 trict property tax levy is equal to the district cost for
12 the budget year, less the product of the state or district
13 foundation base and the enrollment. However, said amount
14 shall be adjusted in accordance with the maximum millage
15 provided in section 442.10[, and the maximum millage reduc-
16 tion provided in second 442.21].

17 Sec. 6. Section four hundred forty-two point ten (442.10),
18 Code 1973, as amended by Acts of the Sixty-fifth General
19 Assembly, 1973 Session, chapter two hundred fifty-eight (258),
20 section nine (9), is further amended to read as follows:

21 442.10 MAXIMUM MILLAGE LEVY. For the purpose of deter-
22 mining the maximum millage levy for the general fund in a
23 school district, the state comptroller shall determine the
24 sum of the foundation property tax levy and the additional
25 property tax levy, in mills. When this total millage levy
26 exceeds the district general fund levy in mills for the school
27 year which began July 1, 1970, he shall adjust the district
28 general fund millage levy to a rate equal to the millage levy
29 for the school year beginning July 1, 1970, except that excess
30 millage authorized by the school budget review committee,
31 as provided in section 442.13, subsection [eight (8)] *seven (7)*,
32 may be added to that rate.

33 Sec. 7. Chapter two hundred fifty-eight (258),
34 Acts of the Sixty-fifth General Assembly, first session
35 1973, section eleven (11), subsection four (4), amending

- 36 section four hundred forty-two point thirteen (442.13),
37 Code 1973, is amended as follows:

1 4. If the district cost per pupil exceeds one hundred
2 ten percent of the state cost per pupil, the committee shall
3 establish a modified allowable growth by reducing the allow-
4 able growth, *subject to the minimum for the school years*
5 *beginning July 1, 1974, and July 1, 1975, as provided in*
6 *section four hundred forty-two point seven (422.7) of the*
7 *Code.* In making decisions under this subsection, the commit-
8 tee shall permit allowable growth to the extent necessary
9 to prevent severe hardship to a district whose district cost
10 per pupil would not have exceeded one hundred ten percent
11 of the state cost per pupil if miscellaneous income were
12 included in computations under this chapter to the same extent
13 that it was included for the school year beginning July 1,
14 1972.

H. F. 1121

—7—

- 1 related only to the school year ending last July, is repealed.
- 2 7. The maximum millage reduction, which was only for one
- 3 more year, is repealed.

HOUSE FILE 1121

S-2295

- 1 Amend House File 1121, as amended, passed and reprinted
2 by the House, as follows:
- 3 1. Page 2A, by striking lines 1 through 25. A. - *Line 3/6 (644)*
 - 4 2. Page 2A, line 27, by striking the words and figure *B. adapt*
5 "paragraph one (1)" and inserting in lieu thereof the *as amended*
6 words and figures "paragraphs one (1) and three (3)". *by 2328*
 - 7 3. Page 2A, line 30, by striking the words "is further" *3/6 (6.*
8 and inserting in lieu thereof the word "are".
 - 9 4. Page 2B, by inserting after line 47 the following:
10 Shared-time and part-time pupils of school age, ir-
11 respective of the districts in which the pupils reside,
12 shall be counted as of the same date in the proportion
13 that the time for which they are enrolled or receive
14 instruction for the school year bears to the time that
15 full-time pupils carrying a normal course schedule, at the
16 same grade level, in the same school district, for the
17 same school year, are enrolled and receive instruction.
18 Sec. _____. Section four hundred forty-two point four *C. - adapted*
19 (442.4), Code 1973, as amended by Acts of the General *3/6*
20 Assembly, 1973 Session, chapter two hundred fifty-eight
21 (258), section three (3), is amended by adding the follow-
22 ing new unnumbered paragraph:
23 NEW UNNUMBERED PARAGRAPH. For the budget years begin-
24 ning July 1, 1974, and July 1, 1975, if a district has a
25 decreasing enrollment from the base year to the budget

Page 2

- 1 year, the state comptroller shall determine the final
2 enrollment for purposes of computations under this chapter
3 by adding to the actual enrollment as otherwise determined
4 under this section an additional amount of enrollment
5 equal to fifty percent of the decrease to the first two
6 percent of decrease, twenty-five percent of the decrease
7 to the next three percent of decrease, and ten percent of
8 the remaining decrease.
- 9 5. Page 3, lines 16, 17, and 18, by striking the words *D. adapt*
10 "whose district cost per pupil is in excess of one hundred *3/6*
11 ten percent of the state cost per pupil for the budget
12 year,".
 - 13 6. Page 4A, lines 2 through 5, by striking the words *C. - adapted*
14 ", except that for the budget years beginning July 1, 1974, *3/6*
15 and July 1, 1975, the enrollment used shall be not less
16 than ninety-eight percent of the enrollment used for the
17 base year".
 - 18 7. Page 4A, line 35, by striking the words and figure *E. adapted*
19 "subsection four (4)" and inserting in lieu thereof the *3/6*
20 words and figures "subsections four (4) and five (5)".
 - 21 8. Page 4B, line 37, by striking the word "is" and
22 inserting in lieu thereof the word "are".
 - 23 9. Page 5, by inserting after line 14 the following:
24 5. The Subject to the minimum for the school years
25 beginning July 1, 1974, and July 1, 1975, as provided in

- 1 section four hundred forty-two point seven (442.7) of the
2 Code, the committee may establish a modified allowable
3 growth by reducing the allowable growth:
4 a. If the district cost per pupil exceeds the state
5 cost per pupil.
6 b. If in the committee's judgment the district cost is
7 unreasonably high in relation to the comparative cost
8 factors of similar districts, even if the district cost
9 per pupil does not exceed the state cost per pupil.
10 10. Renumber sections and correct internal references *F - adopted 3/6*
11 in accordance with this amendment.
12 11. Amend the title, page 1, lines 2 and 3, by striking *S. W. &.*
13 the words "continuing the two hundred dollar per pupil
14 minimum beyond the school year beginning in 1974," *3/6*
15 12. Amend the title, page 1, line 4, by inserting *G - adopted 3/6*
16 before the comma the words and figures "and in school
17 districts which have a decreasing enrollment for the
18 school years beginning July 1, 1974, and July 1, 1975".
19 13. Amend the title, page 1, line 9, by striking the
20 comma and inserting the word "and".
21 14. Amend the title, page 1, lines 11, 12, and 13, by
22 striking the words "and that no school's enrollment will
23 be dropped to less than ninety-eight percent of the prior
24 year's enrollment,".

S-2295 Filed
February 28, 1974

By COMMITTEE ON SCHOOLS

S-2326

- 1 Amend House File 1121, as amended, passed, and re-
2 printed by the House, page 3, line 13 by striking the
3 word "eight" and inserting in lieu thereof the words
4 "nine and four-tenths".

S-2326 Filed - *Last 3/6*
March 5, 1974

By WILLITS

S-2328

- 1 Amend the Committee on Schools amendment, S-2295, to
2 House File 1121, page 1, by adding the following after
3 line 17:
4 "Tuition charges to the parent or guardian of any
5 shared-time or part-time out-of-district pupil shall
6 be reduced by any increased state aid, occasioned by
7 the counting of said pupil."

S-2328 Filed - *adopted 3/6 '644)*
March 6, 1974

By KENNEDY, LAMBORN and
PRIEBE

S-2327

- 1 Amend House File 1121, as amended, passed, and
2 reprinted by the House, page 5, by striking in line
3 6 the figures "422.7" and inserting in lieu thereof
4 the figures "442.7".

S-2327 Filed - *adopted 3/6*
March 6, 1974

By HANSEN

HOUSE FILE 1121

S-2334

- 1 Amend House File 1121, as amended, passed and re-
2 printed by the House, as follows:
3 1. Page 2B, line 49, by striking the words and
4 figure "subsection two (2)" and inserting in lieu thereof
5 the words and figures "subsections one (1), paragraph a,
6 and two (2)".
7 2. Page 2B, line 51, strike the words "is further"
8 and insert in lieu thereof the word "are".
9 3. Page 2B, insert after line 52 the following:
10 a. "Miscellaneous income" means all receipts depos-
11 ited to the general fund of a school district which are
12 not obtained from state aid provided under section four
13 hundred forty-two point one (442.1) or four hundred
14 forty-two point eleven (442.11) of the Code, or from
15 property tax. However, the transportation property tax
16 levy authorized in this chapter is a part of miscella-
17 neous income.
18 4. Page 3, insert after line 29 the following:
19 Sec. . Section four hundred forty-two point eight
20 (442.8), Code 1973, as amended by Acts of the Sixty-fifth
21 General Assembly, 1973 Session, chapter two hundred
22 fifty-eight (258), section seven (7), is amended to read
23 as follows:
24 442.8 STATE COST PER PUPIL. The state cost per
25 pupil for the school year beginning July 1, 1972, is

Page 2

- 1 nine hundred three dollars. The state cost per pupil
2 for the school year beginning July 1, 1973, and for
3 each succeeding school year is the previous year's state
4 cost per pupil plus the allowable growth. However, for
5 the budget year beginning July 1, 1975, the average
6 statewide per pupil cost of transportation during the
7 base year shall be deducted in computing the state cost
8 per pupil. If the state percent of growth is zero or
9 less, the state cost per pupil shall be the same as the
10 previous year's state cost per pupil.
11 5. Page 3, line 31, insert after the word "para-
12 graphs" the word "a,".
13 6. Page 3, insert after line 34 the following:
14 a. The district cost per pupil for the budget year
15 is equal to the district cost per pupil for the base
16 year plus the allowable growth. However, in determining
17 the district cost per pupil for the budget year beginning
18 July 1, 1973, district cost per pupil in the base year
19 means the general fund budget for the school year beginning
20 July 1, 1971, as authorized and funded under Acts of the
21 General Assembly, 1971 Session, chapter seventy-two (72),
22 including additional approved funding authorized by the
23 school budget review committee, less the amount of ad-
24 justed miscellaneous income including adjustments pur-
25 suant to section four hundred forty-two point twenty-

1 five (442.25) of the Code, divided by the fall enroll-
2 ment certified in September of 1971, plus the allowable
3 growth for the school year beginning July 1, 1972, as
4 computed on the basis of state cost per pupil excluding
5 miscellaneous income. In computing district cost per
6 pupil for the budget year beginning July 1, 1975, an
7 amount equal to the district's per pupil cost of trans-
8 portation in the base year shall be deducted from the
9 district cost per pupil in the base year.

10 7. Page 5, insert after line 14 the following:
11 Sec. _____. Chapter four hundred forty-two (442), Code
12 1973, is amended by adding the following new section:

13 NEW SECTION. TRANSPORTATION AID.

14 1. Effective for the school year beginning July 1, 1975,
15 a school district required by chapter two hundred
16 eighty-five (285) of the Code to provide transportation
17 is entitled to transportation aid from the state as pro-
18 vided in this section. However, no transportation aid
19 shall be paid to school districts to cover costs in-
20 curred in transporting pupils from home to a bus route,
21 or in transporting pupils not entitled to free trans-
22 portation, but who are transported at the expense of
23 the home district or the parents. Transportation aid
24 shall be paid for the preceding school year on the basis
25 of a percentage of transportation costs incurred which

1 is the same as the percentage that the state foundation
2 base is of the state cost per pupil. The secretary of
3 each district shall, on or before the first day of July
4 of each year, report to the state department of public
5 instruction on blanks furnished by the department, the
6 information it requires for determining the amount the
7 district shall be reimbursed. The department may re-
8 quire further supporting data and information, and shall
9 compute the amount to which each district is entitled
10 and certify the amounts for payment to the state comp-
11 troller, who shall draw warrants and deliver them to
12 the districts, as provided in section four hundred
13 forty-two point twenty-six (442.26) of the Code. The
14 amount necessary to pay transportation aid is appro-
15 priated each year from the general fund.

16 2. Effective for the school year beginning July 1,
17 1975, the remainder of a district's transportation costs,
18 to the extent not otherwise provided for, shall be pro-
19 vided for by a transportation property tax levy certi-
20 fied and collected in the same manner as other school
21 district general fund property tax levies. The trans-
22 portation property tax levy is separate from the other
23 levies authorized in this chapter and is not subject
24 to the limitations otherwise imposed in this chapter.

25 8. Correct section numbers and internal references

- 1 as necessary to conform with this amendment.
2 9. Amend the title, page 1, line 13, by inserting
3 after the comma the words "providing for a transporta-
4 tion property tax levy, transportation aid, and making
5 an appropriation,".

S—2334 Filed and lost
March 6, 1974

By COLEMAN, WINKELMAN and
TIEDEN

S—2335

- 1 Amend House File 1121 as amended, passed, and
2 reprinted by the House, page 3, line 14, by
3 inserting after the period the following: "The
4 local school district may fund an additional
5 one point four percent growth above the eight
6 percent state growth from local effort which shall
7 not affect the state participation in the
8 foundation program."

S—2335 Filed and lost
March 6, 1974

By DODERER

HOUSE AMENDMENT TO SENATE AMENDMENT TO
HOUSE FILE 1121

- 1 Amend the Senate Amendment to House File 1121 as
2 follows:
3 1. By striking lines 24 through 40, inclusive.
4 2. By striking lines 47 through 51, inclusive.
5 3. By striking lines 77 through 87, inclusive.

Received from the House
March 20, 1974

*Senate refused to concur 3/21/74
House inserts*

H—2494

- 1 Amend the Senate amendment to House File 1121, as
2 passed by the House and reprinted, by striking all
3 after the word "decrease" in line 37, all of lines 38,
4 39 and 40, and inserting in lieu thereof a period.

H—2494 Filed
March 14, 1974

*Withdrawn
3/18*

By COMMITTEE ON EDUCATION
STROMER of Hancock, Chairman

H—2496

- 1 Amend Senate Committee on Schools amendment
2 S-2295, to pages 2B, 4A, and 1 of House File 1121,
3 as amended, passed and reprinted by the House, as
4 follows:
5 1. Page 1, strike lines 18 through 25.
6 2. Page 2, strike lines 1 through 8.
7 3. Page 2, strike lines 13 through 17.
8 4. Page 3, strike lines 15 through 24.

H—2496 Filed
March 14, 1974

Withdrawn
3/18

By PONCY of Wapello
DAGGETT of Adams
HANSEN of O'Brien
MILLER of Calhoun
NORLAND of Worth
HARPER of Davis
WULFF of Black Hawk
RINAS of Linn
PELLETT of Cass
MENKE of O'Brien

H—2510

- 1 Amend the Senate amendment to House File 1121 as
2 passed by the House and reprinted, as follows:
3 1. By striking all of lines 24 through 40.
4 2. By striking all of lines 47 through 51.
5 3. By striking all of lines 77 through 87.

H—2510 Filed
March 15, 1974

Adopted 3/18

By PONCY of Wapello
DAGGETT of Adams
HANSEN of O'Brien
MILLER of Calhoun
NORLAND of Worth
HARPER of Davis
WULFF of Black Hawk
RINAS of Linn
PELLETT of Cass
MENKE of O'Brien

S—2179

- 1 Amend House File 1121 as amended, passed and re-
2 printed by the House as follows:
3 1. Page 2C, line 88, by inserting after the word
4 "taxable" the word "real".

S—2179 Filed - *Adopted 3/6*
February 14, 1974

By GRIFFIN and HANSEN

SENATE AMENDMENT TO HOUSE FILE 1121

- 1 Amend House File 1121, as amended, passed, and
2 reprinted by the House as follows:
3 1. Page 2A, line 27, by striking the words and
4 figure "paragraph one (1)" and inserting in lieu
5 thereof the following: "paragraphs one (1) and
6 three (3)".
7 2. Page 2A, line 30, by striking the words "is
8 further" and inserting in lieu thereof the word
9 "are".
10 3. Page 2B, by inserting after line 47 the following:
11 Shared-time and part-time pupils of school age,
12 irrespective of the districts in which the pupils
13 reside, shall be counted as of the same date in the
14 proportion that the time for which they are enrolled
15 or receive instruction for the school year bears to
16 the time that full-time pupils carrying a normal
17 course schedule, at the same grade level, in the
18 same school district, for the same school year, are
19 enrolled and receive instruction. Tuition charges
20 to the parent or guardian of any shared-time or
21 part-time out-of-district pupil shall be reduced
22 by any increased state aid, occasioned by the count-
23 ing of said pupil.
24 Sec. 442.4. Section four hundred forty-two point
25 four (442.4), Code 1973, as amended by Acts of the
26 General Assembly, 1973 Session, chapter two hundred
27 fifty-eight (258), section three (3), is amended by
28 adding the following new unnumbered paragraph:
29 NEW UNNUMBERED PARAGRAPH. For the budget years
30 beginning July 1, 1974, and July 1, 1975, if a dis-
31 trict has a decreasing enrollment from the base
32 year to the budget year, the state comptroller shall
33 determine the final enrollment for purposes of
34 computations under this chapter by adding to the
35 actual enrollment as otherwise determined under this
36 section an additional amount of enrollment equal to
37 fifty percent of the decrease to the first two
38 percent of decrease, twenty-five percent of the
39 decrease to the next three percent of decrease, and
40 ten percent of the remaining decrease.

- 41 4. Page 2C, line 88, by inserting after the word
42 "taxable" the word "real".
- 43 5. Page 3, lines 16, 17, and 18, by striking the
44 words "whose district cost per pupil is in excess
45 of one hundred ten percent of the state cost per
46 pupil for the budget year,".
- 47 6. Page 4A, lines 2 through 5, by striking the
48 words ", except that for the budget years beginning
49 July 1, 1974, and July 1, 1975, the enrollment
50 used shall be not less than ninety-eight percent
51 of the enrollment used for the base year".
- 52 7. Page 4A, line 35, by striking the words and
53 figure "subsection four (4)" and inserting in lieu
54 thereof the following: "subsections four (4) and
55 five (5)".
- 56 8. Page 4B, line 37, by striking the word "is" and
57 inserting in lieu thereof the word "are".
- 58 9. Page 5, line 6, by striking the figures "422.7"
59 and inserting in lieu thereof the figures "442.7".
- 60 10. Page 5, by inserting after line 14 the
61 following:
- 62 5. The Subject to the minimum for the school
63 years beginning July 1, 1974, and July 1, 1975, as
64 provided in section four hundred forty-two point
65 seven (442.7) of the Code, the committee may
66 establish a modified allowable growth by reducing
67 the allowable growth:
- 68 a. If the district cost per pupil exceeds the
69 state cost per pupil.
- 70 b. If in the committee's judgment the district
71 cost is unreasonably high in relation to the
72 comparative cost factors of similar districts, even
73 if the district cost per pupil does not exceed the
74 state cost per pupil.
- 75 11. Renumber sections and correct internal refer-
76 ences in accordance with this amendment.
- 77 12. Amend the title, page 1, line 4, by inserting
78 before the comma the words and figures "and in
79 school districts which have a decreasing enrollment
80 for the school years beginning July 1, 1974, and
81 July 1, 1975".
- 82 13. Amend the title, page 1, line 9, by striking
83 the comma and inserting the word "and".
- 84 14. Amend the title, page 1, lines 11, 12, and 13,
85 by striking the words "and that no school's enroll-
86 ment will be dropped to less than ninety-eight
87 percent of the prior year's enrollment,".

Received from the Senate
March 8, 1974

*House concurred
as amended 3/18 (1057)*

To the President of the Senate and the Speaker of the House of Representatives:

We, the undersigned members of the conference committee appointed to consider the differences between the Senate and the House of Representatives on House File 1121, a bill for an Act amending the state school foundation program by continuing the two hundred dollar per pupil minimum beyond the school year beginning in 1974, adjusting the method of determining enrollment in special education programs and in school districts which have a decreasing enrollment for the school years beginning July 1, 1974, and July 1, 1975, defining authorized expenditures, permitting districts to spend anticipated receipts from an income surtax before actual receipt, establishing, for the school years beginning in 1974 and 1975, that the state percent of growth will be eight percent and that no school district will receive less than the dollar equivalent of the state percent of growth, repealing the maximum millage reduction and a temporary provision, and making technical amendments, respectfully make the following recommendations:

That the Sixty-fifth General Assembly establish an interim study committee to study the following subjects in their relationship to the state school foundation program:

1. Transportation of students.
2. Declining enrollment.
3. Population density.
4. Costs unique to urban school districts.
5. The possible restructuring of Iowa's present delivery system to ensure quality education for all students.

That the Sixty-fifth General Assembly appropriate sufficient funds to the school budget review committee to bring their current funding level to one million dollars.

That the House recede from its amendment to the Senate amendment to House File 1121 as amended, passed and reprinted by the House, and that the Senate amendment to House File 1121 as amended, passed and reprinted by the House be amended by striking lines 24 through 40 and inserting in lieu thereof the following:

Sec. _____. Section four hundred forty-two point four (442.4), Code 1973, as amended by Acts of the Sixty-fifth General Assembly, 1973 Session, chapter two hundred fifty-eight (258), section three (3), is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If a district has a decreasing enrollment from the base year to the budget year, the state comptroller shall determine the final enrollment for purposes of computations under this chapter as follows:

1. For the budget year beginning July 1, 1974, by adding to the actual enrollment as otherwise determined under this section an additional amount of enrollment equal to fifty percent of the decrease.

2. For the budget year beginning July 1, 1975, by adding to the actual enrollment as otherwise determined under this section an additional amount of enrollment equal to fifty percent of the decrease to the extent that the decrease is not more than five percent of the base year's enrollment, and twenty-five percent of the decrease to the extent that the decrease exceeds five percent of the base year's enrollment.

On the part of the Senate:

WILLARD R. HANSEN, Chairman
LEONARD C. ANDERSEN
JAMES W. GRIFFIN
NORMAN RODGERS
KENNETH D. SCOTT

On the part of the House:

DELWYN STROMER, Chairman
HORACE DAGGETT
INGWER L. HANSEN
R. G. MILLER
CHARLES N. PONCY

House adopted 4/2
Senate adopted 4/2