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Education
Hansen, Co-chairman
Sovern, Co-chairman
Orr
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HOUSE FILE

558

By COMMITTEE ON EDUCATION

Passed House, Date 4-4-75 (935) Passed Senate, Date _____
Vote: Ayes 92 Nays 4 Vote: Ayes _____ Nays _____
Approved 6/3/75

Motion to reconsider lost 4-4

A BILL FOR

1 An Act relating to elementary, secondary and prekindergarten
2 education, by changing the certification date of school budgets,
3 providing for enforcement of school standards and prescribing
4 time periods for compliance, clarifying the provision of auxil-
5 iary services, clarifying duties of the area education agency
6 board and administrator, the director of special education, the
7 department of public instruction, and the state comptroller,
8 limiting reorganization under certain conditions, modifying re-
9 imbursement provisions for driver education, modifying the two
10 hundred dollar minimum state foundation aid, providing new methods
11 for defining enrollment and augmenting declining enrollment,
12 clarifying authorized expenditures, providing a state percent of
13 growth for the 1975-76 school year, new methods for determining
14 state percent of growth and allowable growth, correcting methods
15 of computing state cost and district cost per pupil, modifying
16 the authority of the school budget review committee to reduce
17 allowable growth, authorizing an enrichment program funded by
18 property tax, state aid, and an income surtax to replace the
19 former income surtax provisions, providing new methods for deter-
20 mining and funding costs of media services and other services pro-
21 vided through the area education agencies, modifying reimbursement
22 for special education services formerly offered by local districts
23 and county or joint county school systems, correcting references,
24 making an appropriation, and providing a retroactive effective date
25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section twenty-four point seventeen (24.17),
2 unnumbered paragraph one (1), Code 1975, is amended to read
3 as follows:

4 The local budgets of the various political subdivisions,
5 ~~except for local school districts,~~ shall be certified by the
6 chairman of the certifying board or levying board, as the
7 case may be, in duplicate to the county auditor not later
8 than March ~~15~~ fifteenth of each year on blanks prescribed
9 by the state board, and according to the rules and instruction
10 which shall be furnished all certifying and levying boards
11 in printed form by the state board. ~~The local budgets of~~
12 ~~local school districts shall be certified not later than~~
13 ~~February 15 in the same manner as local budgets of the various~~
14 ~~political subdivisions are certified.~~

15 Sec. 2. Section two hundred fifty-seven point twenty-five
16 (257.25), subsections ten (10) and eleven (11), Code 1975,
17 are amended to read as follows:

18 10. As a basis for inclusion on the list of approved
19 schools, the state department of public instruction shall
20 evaluate the school educational program in the several school
21 systems of the state for the purposes of school improvement
22 and approval, and each public and nonpublic school system
23 shall make such reports as the superintendent of public
24 instruction deems necessary to show compliance with the
25 curriculum programs and other requirements prescribed in the
26 Code. The state department, in consultation with the board
27 of directors and administration of the school district, shall
28 conduct an immediate evaluation of the educational program
29 of each school district which the department determines has
30 failed to comply with the curriculum programs and other
31 requirements prescribed in the Code.

32 The state superintendent shall make recommendations and
33 suggestions in writing to each school and school district
34 which is subject to this section when the department of public
35 instruction determines, after due investigation, that

1 deficiencies exist in any school or school district.

2 The state board of public instruction shall adopt approval
3 standards and rules to implement, interpret and make effective
4 the provisions of this section. In adopting the same, the
5 board shall take into account recognized educational standards.
6 Standards and rules shall be of general application without
7 specific regard to school population.

8 Such standards and rules shall be subject to the provisions
9 of chapter 17A. In addition, such standards and rules shall
10 be reported by the state board to the general assembly within
11 twenty days after the commencement of a regular legislative
12 session. No school or school district shall be removed from
13 the approved list for failure to comply with such standards
14 or rules, until at least one hundred twenty days have elapsed
15 following the reporting of such standards and rules to the
16 general assembly as provided in this section.

17 11. The state board of public instruction shall remove
18 for cause, after due investigation and notice, any school
19 or school district from the approved list which fails to
20 comply with such approval standards and rules in the manner
21 prescribed in this subsection. The state board shall allow
22 a reasonable period of time after notification of
23 noncompliance, which shall be at least one not to exceed the
24 following school year, for compliance with such approval
25 standards and rules. ~~if such~~ If the school or school district
26 is making a good faith effort and substantial progress toward
27 full compliance and if the failure to comply is due to factors
28 beyond the control of the board of directors or governing
29 body of such school or school district additional time may
30 be granted. In allowing such time for compliance, the board
31 shall follow consistent policies, taking into account the
32 circumstances of each case. The reasonable period of time
33 for compliance ~~may be, but need not be given prior to~~ shall
34 not exceed the one-year notice requirement ~~that is required~~
35 under of subsection 12. ~~A school or school district which~~

1 is removed from the approved list pursuant to the provisions
2 of this section shall be ineligible to receive state financial
3 aid during the period of noncompliance.

4 The During the period of time allowed for compliance, the
5 superintendent of public instruction and the president of
6 the state board shall confer with the affected school board
7 and with the school boards of contiguous school districts
8 to assist the affected school board in determining how best
9 to offer the students of that district an approved educational
10 program. ~~When a school district has been removed from the~~
11 ~~approved list, is ineligible to receive state aid, and can~~
12 ~~no longer continue to operate, the board of directors shall~~
13 ~~seek to merge the territory of the school district with one~~
14 ~~or more contiguous school districts pursuant to the provisions~~
15 ~~of chapter 275. -- If by the first of July the following school~~
16 ~~year, the district has not met the approval standards and~~
17 ~~any portion of the district has not been merged with one or~~
18 ~~more contiguous school districts, the portion that has not~~
19 ~~been merged shall be merged with one or more contiguous school~~
20 ~~districts by the state board and the provisions of sections~~
21 ~~275.25 to 275.30 shall apply.~~

22 Sec. 3. Section two hundred fifty-seven point twenty-five
23 (257.25), subsection twelve (12), Code 1975, is amended by
24 adding the following new unnumbered paragraph:

25 NEW UNNUMBERED PARAGRAPH. After notification of removal
26 from the approved list, the board of directors shall seek
27 to merge the territory of the school district with one or
28 more contiguous school districts pursuant to the provisions
29 of chapter two hundred seventy-five (275) of the Code. If
30 on the date specified for removal from the approved list,
31 the district, or any portion of the district, has not been
32 merged with one or more contiguous school districts, the
33 portion that has not been merged shall be merged with one
34 or more contiguous school districts by the state board, and
35 the provisions of sections two hundred seventy-five point

1 twenty-five (275.25) through two hundred seventy-five point
2 thirty-eight (275.38) of the Code shall apply. Until the
3 merger is completed, the school district shall pay tuition
4 for its resident students to an approved school district under
5 the provisions of section two hundred seventy-nine point
6 eighteen (279.18) of the Code.

7 Sec. 4. Section two hundred seventy-three point two
8 (273.2), subsection four (4), Code 1975, is amended by striking
9 the subsection and inserting in lieu thereof the following:

10 4. Auxiliary services for nonpublic school pupils as
11 provided in section two hundred fifty-seven point twenty-six
12 (257.26) of the Code. However, if auxiliary services are
13 provided their funding shall be based on the type of service
14 so that auxiliary services which are special education support
15 services shall be funded as provided in sections two hundred
16 seventy-three point nine (273.9), subsection three (3), four
17 hundred forty-two point seven (442.7), subsection seven (7),
18 paragraphs c and d, and section four hundred forty-two point
19 eight (442.8) of the Code, auxiliary services which are media
20 services shall be funded as provided for media services for
21 public school pupils in section twenty-one (21) of this Act,
22 and other auxiliary services shall be funded as provided for
23 other services for public school pupils in section twenty-
24 one (21) of this Act.

25 Sec. 5. Section two hundred seventy-three point three
26 (273.3), subsections two (2) and seven (7), Code 1975, are
27 amended to read as follows:

28 2. Be authorized to receive and expend money for providing
29 programs and services as provided in sections 273.1 to 273.9
30 and, chapter 281 and chapter four hundred forty-two (442)
31 of the Code. All costs incurred in providing the programs
32 and services, including administrative costs, shall be paid
33 from funds received pursuant to sections 273.1 to 273.9 and
34 chapters 281 and 442.

35 7. Be authorized, subject to the approval of the department

1 of public instruction, to lease, receive by gift and operate
2 and maintain such facilities and buildings as deemed necessary
3 to provide authorized programs and services. However, the
4 department shall not approve the leasing or renting of
5 facilities or buildings until it is satisfied by investigation
6 that no school districts within the area have suitable
7 facilities available.

8 Sec. 6. Section two hundred seventy-three point four
9 (273.4), Code 1975, is amended by adding the following new
10 subsection:

11 NEW SUBSECTION. Submit program plans each year to the
12 department of public instruction to reflect the needs of the
13 area education agency for media services as provided in section
14 two hundred seventy-three point six (273.6) of the Code.

15 Sec. 7. Section two hundred seventy-three point five
16 (273.5), subsection six (6), Code 1975, is amended to read
17 as follows:

18 6. Submit to the department of public instruction special
19 education instructional and support program plans and applica-
20 tions including those for new or expanded programs and ser-
21 vices, subject to criteria listed in chapter 281 and this
22 chapter, for approval by November 4 first of each year for
23 the school year commencing the following July 4 first.

24 Sec. 8. Section two hundred seventy-three point nine
25 (273.9), Code 1975, is amended by striking the section and
26 inserting in lieu thereof the following:

27 273.9 FUNDING.

28 1. For the school year beginning July 1, 1975, and each
29 succeeding school year, school districts shall pay for the
30 programs and services provided through the area education
31 agency and shall include expenditures for the programs and
32 services in their budgets, in accordance with the provisions
33 of this section.

34 2. School districts shall pay the costs of special educa-
35 tion instructional programs with the moneys available to the

1 districts for each child requiring special education, by
2 application of the special education weighting plan in section
3 two hundred eighty-one point nine (281.9) of the Code. Special
4 education instructional programs shall be provided at the
5 local level if practicable, or otherwise by contractual
6 arrangements with the area education agency board as provided
7 in section two hundred seventy-three point three (273.3),
8 subsection five (5) of the Code, but in each case the total
9 money available through section two hundred eighty-one point
10 nine (281.9) and chapter four hundred forty-two (442) of the
11 Code because of weighted enrollment for each child requiring
12 special education instruction shall be made available to the
13 district or agency which provides the special education
14 instructional program to the child, subject to adjustments
15 for transportation or other costs which may be paid by the
16 school district in which the child is enrolled. Each district
17 shall cooperate with its area education agency to provide
18 an appropriate special education instructional program for
19 each child who requires special education instruction, as
20 identified and counted within the certification by the area
21 director of special education or as identified by the area
22 director of special education subsequent to the certification,
23 and shall not provide a special education instructional program
24 to a child who has not been so identified and counted within
25 the certification or identified subsequent to the certifi-
26 cation.

27 3. The costs of special education support services provided
28 through the area education agency shall be funded by an
29 increase in the allowable growth of each school district,
30 determined as provided in section four hundred forty-two point
31 seven (442.7) of the Code. Special education support services
32 shall not be funded until the program plans submitted by the
33 special education directors of each area education agency
34 as required by section two hundred seventy-three point five
35 (273.5) of the Code are modified as necessary and approved

1 by the department of public instruction according to the
2 criteria and limitations of chapter two hundred eighty-one
3 (281) and section four hundred forty-two point seven (442.7)
4 of the Code.

5 4. The costs of media services provided through the area
6 education agency shall be funded as provided in section twenty-
7 one (21) of this Act. Media services shall not be funded
8 until the program plans submitted by the administrators of
9 each area education agency as required by section two hundred
10 seventy-three point four (273.4) of the Code are modified
11 as necessary and approved by the department of public
12 instruction according to the criteria and limitations of
13 section two hundred seventy-three point six (273.6) of the
14 Code and section twenty-one (21) of this Act.

15 5. The costs of other services provided through the area
16 education agency shall be funded within the limitations in
17 section twenty-one (21) of this Act. The department of public
18 instruction shall promulgate rules under chapter seventeen
19 A (17A) of the Code, as necessary to implement performance
20 of its approval duties under this section.

21 Sec. 9. Chapter two hundred seventy-five (275), Code 1975,
22 is amended by adding the following new section:

23 NEW SECTION. A school district which is enlarged, reor-
24 ganized, or changes its boundaries under the provisions of
25 sections two hundred seventy-five point twelve (275.12) through
26 two hundred seventy-five point twenty-three (275.23) of the
27 Code, shall not be allowed to file a petition under the pro-
28 visions of section two hundred seventy-five point twelve
29 (275.12) of the Code for a period of five years following
30 the effective date of the enlargement, reorganization or
31 boundary change unless further reorganization is approved
32 by the state board of public instruction.

33 Sec. 10. Section two hundred eighty-one point eleven
34 (281.11), unnumbered paragraph one (1), Code 1975, is amended
35 to read as follows:

1 Program plans submitted to the department of public in-
2 struction pursuant to section ~~273.4~~ two hundred seventy-three
3 point five (273.5) of the Code for approval shall establish
4 all of the following:

5 Sec. 11. Section three hundred twenty-one point one hun-
6 dred seventy-eight (321.178), subsection one (1), Code 1975,
7 is amended to read as follows:

8 321.178 DRIVER EDUCATION.

9 1. APPROVED COURSE. An approved driver education course
10 as programmed by the department of public instruction shall
11 consist of at least thirty clock hours of classroom instruc-
12 tion, and six or more clock hours of laboratory instruction
13 of which at least three clock hours shall consist of street
14 or highway driving.

15 ~~The state shall reimburse each public school district in~~
16 ~~an amount not to exceed thirty dollars per student for each~~
17 ~~student enrolled in and regularly attending an approved driver~~
18 ~~education course offered or made available by the school dis-~~
19 ~~trict.~~ Every public school district in Iowa shall offer or
20 make available to all students residing in the school district
21 an approved course in driver education. Said courses may
22 be offered at sites other than at the public school, including
23 nonpublic school facilities within the public school districts.
24 ~~The public school district offering said course in a nonpublic~~
25 ~~school within the public school district shall be eligible~~
26 ~~for the thirty-dollar state reimbursement for each student~~
27 ~~in the course regardless of the public school district in~~
28 ~~which the student happens to reside.~~ An approved course
29 offered during the summer months, on Saturdays, after regular
30 school hours during the regular terms or partly in one term
31 or summer vacation period and partly in the succeeding term
32 or summer vacation period, as the case may be, shall satisfy
33 the requirements of this section to the same extent as an
34 approved course offered during the regular school hours of
35 the school term. A student who successfully completes and

1 obtains certification in an approved course in driver education
2 may, upon proof of such fact, be excused from any field test
3 which he would otherwise be required to take in demonstrating
4 his ability to operate a motor vehicle. ~~Funds for such~~
5 ~~reimbursement shall be appropriated by the legislature to~~
6 ~~a special driver education fund to be administered by the~~
7 ~~department of public instruction. Four percent of the annual~~
8 ~~amount allocated to the special driver education fund, shall~~
9 ~~be available to the department of public instruction for use~~
10 ~~in discharging the cost of administration of this section.~~

11 Sec. 12. Section four hundred forty-two point one (442.1),
12 Code 1975, is amended to read as follows:

13 442.1 STATE SCHOOL FOUNDATION PROGRAM. This chapter
14 establishes a state school foundation program. For each
15 school year, each school district in the state is entitled
16 to receive state school foundation aid, which shall be an
17 amount per pupil equal to the difference between the amount
18 per pupil of foundation property tax in the district, and
19 the state foundation base or the district cost per pupil,
20 whichever is less. However, if the amount so determined for
21 any district is less than two hundred dollars per pupil, the
22 district is entitled to receive not less than two hundred
23 dollars per pupil ~~except when a district's total general fund~~
24 ~~tax rate is reduced to ninety percent or less of the district's~~
25 ~~total general fund tax rate for the school year beginning~~
26 ~~July 1, 1970. However, if this computation is made for the~~
27 ~~school years beginning July 1, 1975, and July 1, 1976, the~~
28 ~~general fund levy for each district for the school year which~~
29 ~~began July 1, 1970, shall be determined by including the levy~~
30 ~~certified by the county school system or joint county system~~
31 ~~in which the district was located, for the school year which~~
32 ~~began July 1, 1970. In this case the district is entitled~~
33 ~~to receive only that portion of the two hundred dollars per~~
34 ~~pupil necessary to retain that ten percent reduction. However~~
35 if the receipt of two hundred dollars by a school district

1 plus the money raised by the foundation property tax exceeds
2 the maximum allowed district cost for the budget year, the
3 district shall be entitled to receive in state foundation
4 aid an amount equal to the difference between the money raised
5 by the foundation property tax for the budget year and the
6 district cost for the budget year. In making computations
7 and payments under this chapter, the state comptroller shall
8 round amounts to the nearest whole dollar.

9 Sec. 13. Section four hundred forty-two point four (442.4),
10 Code 1975, is amended by striking the section and inserting
11 in lieu thereof the following:

12 442.4 ENROLLMENT.

13 1. Basic enrollment for the budget year is determined
14 by adding the resident pupils who were enrolled on the second
15 Friday of January in the base year in public elementary and
16 secondary schools of the district and in public elementary
17 and secondary schools in another district or state for which
18 tuition is paid by the district. For the school year beginning
19 July 1, 1975, pupils who were enrolled on the second Friday
20 of January in the base year in special education programs
21 conducted by a county or joint county school system are
22 included in basic enrollment. For the school year beginning
23 July 1, 1975, and each succeeding school year, pupils enrolled
24 in prekindergarten programs other than special education
25 programs are not included in basic enrollment.

26 Resident pupils of high school age for which the district
27 pays tuition to attend an Iowa area school are included in
28 basic enrollment on a full-time equivalent basis as of the
29 second Friday of January in the base year.

30 Shared-time and part-time pupils of school age, irrespective
31 of the districts in which the pupils reside, are included
32 in basic enrollment as of the second Friday of January in
33 the base year, in the proportion that the time for which they
34 are enrolled or receive instruction for the school year is
35 to the time that full-time pupils carrying a normal course

1 schedule, at the same grade level, in the same school district,
2 for the same school year, are enrolled and receive instruction.
3 Tuition charges to the parent or guardian of a shared-time
4 or part-time out-of-district pupil shall be reduced by the
5 amount of any increased state aid occasioned by the counting
6 of the pupil.

7 Pupils attending a university laboratory school are not
8 counted in any district's basic enrollment, but the labora-
9 tory school shall report them directly to the department of
10 public instruction.

11 A school district shall certify its basic enrollment to
12 the state department of public instruction by January twenty-
13 fifth of each year, and the department shall promptly forward
14 the information to the state comptroller.

15 However, for the school year beginning July 1, 1974, basic
16 enrollment is equal to the actual enrollment used for that
17 year prior to adjustment for decreasing enrollment.

18 2. If a district has a decreasing basic enrollment from
19 the base year to the budget year, the state comptroller shall
20 determine an adjusted enrollment for the district by adding
21 to the basic enrollment for the budget year an amount equal
22 to one hundred percent of the decrease to the extent that
23 the decrease is not more than two percent of the base year's
24 basic enrollment, and fifty percent of the remaining decrease.
25 The additional amount used in computing adjusted enrollment
26 in a base year is not used in computing adjusted enrollment
27 for a budget year.

28 If a district does not have a decreasing basic enrollment
29 from the base year to the budget year, its adjusted enroll-
30 ment for the budget year is the same as its basic enrollment
31 for the budget year.

32 3. Weighted enrollment is the adjusted enrollment as modi-
33 fied by application of the special education weighting plan
34 in section two hundred eighty-one point nine (281.9) of the
35 Code.

1 Sec. 14. Section four hundred forty-two point five (442.5),
2 subsection one (1), paragraph a, and subsection two (2), Code
3 1975, are amended to read as follows:

4 a. "Miscellaneous income" means all receipts deposited
5 to the general fund of a school district which are not obtained
6 from state aid provided under section 442.1 or 442.11 or from
7 property tax authorized under section four hundred forty-two
8 point two (442.2) or four hundred forty-two point nine (442.9)
9 of the Code.

10 2. The authorized expenditures during a school year may
11 not exceed the lesser of the budget for that year certified
12 under section 24.17 plus any allowable amendments permitted
13 in this section, or the authorized budget, which is the sum
14 of the district cost for that year plus the actual mis-
15 cellaneous income received for that year plus the actual
16 unspent balance from the preceding year. If actual
17 miscellaneous income for a school year exceeds the anticipated
18 miscellaneous income in the certified budget for that year,
19 or if an unspent balance has not been previously certified,
20 a school district may amend its certified budget. A school
21 district-receiving-voter-approval-to-levy-an-income-surtax
22 may-include,-in-the-expenditures-of-the-year-prior-to-actual
23 receipt-of-such-funds,-an-estimation-of-the-yield-of-the
24 surtax-rate.--Actual-expenditures-following-the-last-effective
25 year-of-the-approved-surtax-must-be-reduced-by-the-amount
26 of-such-estimate.

27 Sec. 15. Section four hundred forty-two point seven
28 (442.7), Code 1975, is amended by striking the section and
29 inserting in lieu thereof the following:

30 442.7 STATE PERCENT OF GROWTH--ALLOWABLE GROWTH.

31 1. For the school year beginning July 1, 1975, the state
32 percent of growth is ten and seven-tenths percent.

33 2. For school years subsequent to the school year beginning
34 July 1, 1975, a state percent of growth for the budget year
35 shall be computed by the state comptroller prior to February

1 fifteenth of each year and forwarded to the superintendent
2 of public instruction. The state percent of growth shall
3 be an average of the following six percentages of growth:

4 a. The difference in the state general fund revenues
5 received during the year, adjusted for changes in rates or
6 basis, computed or estimated as a percentage of change for
7 each of the following periods:

8 (1) From the year immediately preceding the base year
9 to the base year.

10 (2) From the base year to the budget year.

11 b. The difference in the statewide assessed valuation
12 of real property adjusted for statewide changes in assessment
13 practices computed or estimated as a percentage of change
14 for each of the following periods:

15 (1) From January first of the year immediately preceding
16 the base year to January first of the base year.

17 (2) From January first of the base year to January first
18 of the budget year.

19 c. The difference in the Iowa consumer price index com-
20 puted by the state comptroller based upon a comprehensive
21 sampling of the costs of goods and services within Iowa, or
22 if an Iowa consumer price index is not available, the consumer
23 price index published by the bureau of labor statistics,
24 United States department of labor computed or estimated as
25 a percentage of change for the following periods:

26 (1) From July first of the base year to July first of
27 the budget year.

28 (2) From July first of the budget year to July first of
29 the year immediately following the budget year.

30 3. If the state percent of growth so computed is negative,
31 that percentage shall not be used and the state percent of
32 growth shall be zero.

33 4. Each year prior to February fifteenth the state
34 comptroller shall recompute the state percent of growth for
35 the previous year using adjusted estimates and the actual

1 figures available. The difference between the recomputed
2 state percent of growth for the base year and the original
3 computation shall be added to or subtracted from the state
4 percent of growth for the budget year, as applicable.

5 5. The state comptroller shall compute an estimated state
6 percent of growth for the budget year prior to September
7 fifteenth in the base year and shall forward this estimate
8 to the superintendent of public instruction.

9 6. The basic allowable growth per pupil for the budget
10 year shall be computed by multiplying the state cost per pupil
11 for the base year times the state percent of growth for the
12 budget year.

13 7. The allowable growth per pupil for each school district
14 is the basic allowable growth per pupil, for the budget year
15 modified as follows:

16 a. If the state cost per pupil in the base year exceeds
17 the district cost per pupil in the base year, the basic al-
18 lowable growth per pupil for the budget year is modified to
19 equal the lesser of one hundred twenty-five percent of the
20 basic allowable growth per pupil for the budget year or an
21 amount sufficient to equalize the district cost per pupil
22 in the budget year with the state cost per pupil in the budget
23 year.

24 b. By the school budget review committee under section
25 four hundred forty-two point thirteen (442.13) of the Code.

26 c. For the school year beginning July 1, 1975 only, by
27 adding to the basic allowable growth per pupil for the budget
28 year an amount to compensate for the costs of special educa-
29 tion support services provided through the area education
30 agency. The total amount for each area shall be based upon
31 the program plans submitted by the special education director
32 of the area education agency as required by section two hundred
33 seventy-three point five (273.5) of the Code, which shall
34 be modified as necessary and approved by the department of
35 public instruction according to the criteria and limitations

1 of section two hundred seventy-three point five (273.5) and
2 chapter two hundred eighty-one (281) of the Code. The amount
3 of additional allowable growth per pupil for the budget year
4 for each district in an area shall be determined by dividing
5 the total amount for the area so determined by the weighted
6 enrollment of the area for the budget year.

7 d. For each year following the school year beginning July
8 1, 1975, by adding to the basic allowable growth an amount
9 to compensate for the additional costs of special education
10 support services provided through the area education agency.
11 The total amount for each area shall be based upon the amount
12 needed in the area to serve children newly identified as
13 requiring the services pursuant to plans submitted by the
14 special education director of the area education agency as
15 required by section two hundred seventy-three point five
16 (273.5) of the Code, which shall be modified as necessary
17 and approved by the department of public instruction according
18 to the criteria and limitations of section two hundred seventy-
19 three point five (273.5) and chapter two hundred eighty-one
20 (281) of the Code. The amount of additional allowable growth
21 per pupil for the budget year for each district in an area
22 shall be determined by dividing the total amount for the area
23 so determined by the weighted enrollment of the area for the
24 budget year.

25 e. For the additional allowable growth computed under
26 paragraphs c or d of this subsection, the department of public
27 instruction, in cooperation with the appropriate personnel
28 of the area education agency, shall determine the amounts
29 for each area education agency, as required and the state
30 comptroller shall calculate the amounts of additional allowable
31 growth for each district, and shall calculate the amounts
32 due from each district to its area education agency by
33 multiplying the additional allowable growth per pupil by the
34 weighted enrollment in the district for the budget year.
35 The state comptroller shall deduct the amounts so calculated

1 for each school district from the state aid due to the district
2 pursuant to chapter four hundred forty-two (442) of the Code,
3 and shall pay the amounts to the area education agencies on
4 a quarterly basis during each school year. The state
5 comptroller shall notify each school district of the amount
6 of state aid deducted for this purpose and the balance of
7 state aid will be paid to the district. If a district does
8 not qualify for state aid under chapter four hundred forty-
9 two (442) of the Code in an amount sufficient to cover its
10 amount due to the area education agency as calculated by the
11 state comptroller, the school district shall pay the deficiency
12 to the area education agency from other moneys received by
13 the district, on a quarterly basis during each school year.

14 Sec. 16. Section four hundred forty-two point eight
15 (442.8), Code 1975, is amended to read as follows:

16 442.8 STATE COST PER PUPIL. As used in this chapter,
17 "state cost per pupil" for the school year beginning July
18 1, 1974, and prior school years means state cost per pupil
19 in enrollment as enrollment was determined under section four
20 hundred forty-two point five (442.5) of the Code prior to
21 January 1, 1975, and "state cost per pupil" for the school
22 year beginning July 1, 1975, and subsequent school years means
23 state cost per pupil in weighted enrollment. The state cost
24 per pupil for the school year beginning July 1, 1972, is nine
25 hundred three dollars. The state cost per pupil for the
26 school year beginning on July 1, 1973, and for each succeeding
27 school year is the previous base year's state cost per pupil
28 plus the allowable growth for the budget year. If the state
29 percent of growth is zero ~~or less~~, the state cost per pupil
30 shall be the same as the previous base year's state cost per
31 pupil.

32 For the school year beginning July 1, 1975, the allowable
33 growth added to the state cost per pupil shall be the basic
34 allowable growth as otherwise computed under section 442.7,
35 increased by an amount equal to the average of the amounts

1 of allowable growth added for each school district in the
2 state for special education support services provided through
3 the area education agencies under ~~section~~ sections 273.9,
4 subsection 4 three (3), and four hundred forty-two point seven
5 (442.7), subsection seven (7), paragraph c of the Code. For
6 each succeeding school year, the allowable growth added to
7 the state cost per pupil as otherwise computed under section
8 442.7 shall be the basic allowable growth increased by an
9 amount equal to the average of the amounts of allowable growth
10 added for each school district in the state for additional
11 special education support services needed for that year to
12 serve newly identified children who require the services,
13 under ~~section~~ sections 273.9, subsection 4 three (3), and
14 four hundred forty-two point seven (442.7), subsection seven
15 (7), paragraph d of the Code. The state comptroller shall
16 compute the applicable amount of allowable growth to be added
17 to the state cost per pupil for each school year.

18 Sec. 17. Section four hundred forty-two point nine (442.9),
19 subsection one (1), paragraphs a and b, Code 1975, are amended
20 to read as follows:

21 a. As used in this chapter, "district cost per pupil"
22 for the school year beginning July 1, 1974, and for prior
23 school years means the district cost per pupil in enrollment,
24 as enrollment was determined under section four hundred forty-
25 two point five (442.5) of the Code prior to January 1, 1975,
26 and "district cost per pupil" for the school year beginning
27 July 1, 1975, and subsequent school years means district cost
28 per pupil in weighted enrollment. The district cost per pupil
29 for the budget year is equal to the district cost per pupil
30 for the base year plus the allowable growth. ~~However, in~~
31 ~~determining the district cost per pupil for the budget year~~
32 ~~beginning July 1, 1973, district cost per pupil in the base~~
33 ~~year means the general fund budget for the school year~~
34 ~~beginning July 1, 1974, as authorized and funded under Acts~~
35 ~~of the Sixty-fourth General Assembly, chapter 72, including~~

1 additional approved funding authorized by the school budget
2 review committee, less the amount of adjusted miscellaneous
3 income including adjustments pursuant to section 442.25,
4 divided by the fall enrollment certified in September of 1971,
5 plus the allowable growth for the school year beginning July
6 1, 1972, as computed on the basis of state cost per pupil
7 excluding miscellaneous income. -- Also, in determining the
8 district cost per pupil for the budget year beginning July
9 1, 1975, the amount received by a school district under
10 sections 284.9 to 284.11, as state reimbursement for special
11 education costs for the school year beginning July 1, 1974,
12 shall be deducted.

13 b. The district cost for the budget year is equal to the
14 district cost per pupil for the budget year multiplied by
15 the weighted enrollment, plus the additional district cost
16 allocated to the district under section twenty-one (21) of
17 this Act to fund media services and other services provided
18 through the area education agency. A school district may
19 not increase its district cost for the budget year except
20 to the extent that an excess tax levy is authorized by the
21 school budget review committee as provided in section 442.13,
22 subsection 7.

23 Sec. 18. Section four hundred forty-two point thirteen
24 (442.13), subsection four (4), Code 1975, is amended by
25 striking the subsection.

26 Sec. 19. Section four hundred forty-two point fourteen
27 (442.14), Code 1975, is amended by striking the section and
28 inserting in lieu thereof the following:

29 442.14 ADDITIONAL ENRICHMENT AMOUNT.

30 1. For the budget year beginning July 1, 1976, and each
31 succeeding school year, if a school board wishes to spend
32 more than the amount permitted under sections four hundred
33 forty-two point one (442.1) through four hundred forty-two
34 point thirteen (442.13) of the Code, the school board may
35 raise an additional enrichment amount not to exceed five

1 percent of the state cost per pupil multiplied by the adjusted
2 enrollment in the district, as provided in this section.
3 However, the additional enrichment amount may be used only
4 for educational research, curriculum development, or innovative
5 programs. The department of public instruction shall further
6 define these purposes by rule.

7 2. The board shall determine the additional enrichment
8 amount per pupil needed and shall pass a resolution stating
9 its determination to raise that amount under this section
10 and section four hundred forty-two point fifteen (442.15)
11 of the Code. The resolution shall be published at least twice
12 at one-week intervals in a newspaper with general circulation
13 in the district. If at any time within sixty days of the
14 first publication of the resolution a petition is filed with
15 the board signed by qualified electors of the school district
16 equal in number to thirty-five percent of those who voted
17 in the last preceding school election and requesting an
18 election on the question of whether the additional enrichment
19 amount shall be raised under this section and section four
20 hundred forty-two point fifteen (442.15) of the Code, the
21 school board shall direct the county commissioner of elections
22 to call a special election and submit the question, and the
23 board shall be bound by the results of the election.

24 3. The additional enrichment amount needed shall be raised
25 within the limits provided in this section by a combination
26 of an enrichment property tax and a school district income
27 surtax imposed in the proportion of a property tax of twenty-
28 seven cents per thousand dollars of assessed valuation of
29 taxable property in the district for each two and one-half
30 percent of income surtax.

31 4. If the amount of five percent of the state cost per
32 pupil multiplied by the adjusted enrollment of the district
33 cannot be raised in a district by a combination tax in the
34 prescribed proportion which does not exceed a property tax
35 of fifty-four cents per thousand dollars of assessed valuation

1 and an income surtax of five percent, that district is entitled
2 to receive in enrichment state aid per pupil in adjusted
3 enrollment a maximum of the difference between the enrichment
4 amount which can be raised in the district by the maximum
5 combination tax in the prescribed proportion and the amount
6 of five percent of the state cost per pupil. However, if
7 the additional enrichment amount the district needs to raise
8 per pupil is a fraction of the maximum amount of five percent
9 of the state cost per pupil, the same fraction shall be
10 multiplied by fifty-four cents to determine the maximum
11 enrichment property tax in that district, and by five percent
12 to determine the maximum income surtax in that district, and
13 that district is entitled to receive in enrichment state aid
14 per pupil in adjusted enrollment the difference between the
15 enrichment amount which can be raised by its maximum
16 combination tax in the prescribed proportion and the additional
17 enrichment amount per pupil that it needs.

18 Sec. 20. Section four hundred forty-two point fifteen
19 (442.15), Code 1975, is amended by striking the section and
20 inserting in lieu thereof the following:

21 442.15 COMPUTATION OF ADDITIONAL ENRICHMENT AMOUNT. IF,
22 during a period of sixty days after publication of the first
23 notice of the board's determination to raise the additional
24 enrichment amount, no petition has been filed, or if a majority
25 of those voting in an election approves raising the additional
26 enrichment amount under section four hundred forty-two point
27 fourteen (442.14) of the Code and this section, the board
28 shall certify to the state comptroller that the required
29 procedures have been carried out, and that no petition was
30 filed or that the proposal was approved at the election, and
31 the state comptroller who shall establish the amount of
32 additional enrichment property tax to be levied, the amount
33 of school district income surtax to be imposed, and the amount
34 of enrichment state aid to which the district is entitled,
35 for each school year for which the additional enrichment

1 amount is authorized. The state comptroller shall determine
2 these amounts based upon the most recent figures available
3 for the district's valuation of taxable property, individual
4 state income tax paid, and adjusted enrollment in the district,
5 and shall certify to the district's county auditor the amount
6 of enrichment property tax, and to the director of revenue
7 the amount of school district income surtax to be imposed.

8 The amount required to pay enrichment state aid is
9 appropriated each year from the general fund of the state.

10 The school district income surtax shall be imposed on the
11 state individual income tax for the calendar year during which
12 the school's budget year begins, or for a taxpayer's fiscal
13 year ending during the second half of that calendar year or
14 the first half of the succeeding calendar year, and shall
15 be imposed on all individuals residing in the school district
16 on the last day of the applicable tax year. As used in this
17 section, "state individual income tax" means the tax computed
18 under section four hundred twenty-two point five (422.5) of
19 the Code, less the deductions allowed in section four hundred
20 twenty-two point twelve (422.12) of the Code.

21 An additional enrichment amount authorized under section
22 four hundred forty-two point fourteen (442.14) of the Code
23 or a lesser amount than the amount so authorized may be
24 continued as provided in this section for a period of five
25 school years. If the amount authorized is less than the
26 maximum of five percent of the state cost per pupil and the
27 board wishes to increase the amount, or if the board wishes
28 to continue any additional enrichment amount beyond the five-
29 year period, it shall reestablish its authority to do so in
30 the manner provided in section four hundred forty-two point
31 fourteen (442.14) of the Code.

32 Sec. 21. Chapter four hundred forty-two (442), Code 1975,
33 is amended by adding the following new section:

34 NEW SECTION. FUNDING MEDIA AND OTHER SERVICES. Media
35 services and other services provided through the area educa-

1 tion agencies shall be funded, to the extent provided, by
2 an addition to the district cost of each school district,
3 determined as follows:

4 1. For the budget year beginning July 1, 1975, the total
5 amount funded in each area for media services shall be the
6 greater of an amount equal to the costs for media services
7 in the area in the base year times the sum of one hundred
8 percent plus the state percent of growth, or an amount equal
9 to five dollars times the enrollment served in the area in
10 the budget year. The costs for media services in the area
11 in the base year beginning July 1, 1974, shall be a propor-
12 tionate part of the expenditures by county school systems
13 and joint county systems formerly serving pupils in the area
14 based upon the enrollment served in that area in the base
15 year by each county school system and joint county system
16 compared to the total enrollment served by that county system
17 or joint county system.

18 2. For each succeeding budget year, the total amount
19 funded in each area for media services shall be the total
20 amount funded in the area for media services in the base year
21 times the sum of one hundred percent plus the state percent
22 of growth.

23 3. However, the total amount funded in each area for media
24 services in any budget year shall not exceed an amount equal
25 to eight dollars times the enrollment served in the area in
26 the budget year.

27 4. For the budget year beginning July 1, 1975, the total
28 amount funded in each area for other services shall be an
29 amount equal to ten dollars times the enrollment served in
30 the area in the budget year.

31 5. For each succeeding budget year, the total amount
32 funded in each area for other services shall be the total
33 amount funded in the area for other services in the base year
34 times the sum of one hundred percent plus the state percent
35 of growth. Part of the amount funded for other services may

1 be used by the area education agencies for nonrecurring media
2 costs for the school year beginning July 1, 1975.

3 6. Of the total amounts funded in each area each year
4 for media services and other services, a portion shall be
5 allocated to each district in the area. The portion to be
6 allocated to each district in an area shall be the same
7 percentage of the total amount that the enrollment served
8 in the budget year in the district is of the enrollment served
9 in the budget year in the area.

10 7. The portion allocated to each district in an area each
11 budget year for media services and other services shall be
12 added to the district cost of that district for the budget
13 year as provided in section four hundred forty-two point nine
14 (442.9) of the Code.

15 8. The department of public instruction and the state
16 comptroller shall determine the total amounts funded in each
17 area for media services and other services each year, and
18 the amounts to be allocated to each district. The state
19 comptroller shall deduct the amounts so calculated for each
20 school district from the state aid due to the district pursuant
21 to this chapter and shall pay the amounts to the districts'
22 area education agencies on a quarterly basis during each
23 school year. The state comptroller shall notify each school
24 district the amount of state aid deducted for this purpose
25 and the balance which will be paid to the district. If a
26 district does not qualify for state aid under this chapter
27 in an amount sufficient to cover the amount due to its area
28 education agency as calculated by the state comptroller, the
29 school district shall pay the deficiency to its area education
30 agency from other moneys received by the district, on a
31 quarterly basis during each school year.

32 9. "Enrollment served" means the basic enrollment plus
33 the number of nonpublic pupils served with media services
34 or other services, as applicable, except that if a nonpublic
35 pupil receives services through an area other than the area

1 of the pupil's residence, the pupil shall be deemed to be
2 served by the area of his residence, which shall by contractual
3 arrangement reimburse the area through which the pupil actually
4 receives services. The number of nonpublic pupils served
5 shall be determined as of the second Friday of January.

6 Sec. 22. Notwithstanding the provisions of sections two
7 hundred eighty-one point nine (281.9) and two hundred eighty-
8 one point eleven (281.11) of the Code as those sections are
9 in effect prior to July 1, 1975, reimbursement shall not be
10 made to local school districts for the special education costs
11 for the school year beginning July 1, 1974, incurred for
12 programs provided for the school year beginning July 1, 1971,
13 or prior years, but reimbursement shall be made to local
14 school districts for new and expanded programs for the school
15 year beginning July 1, 1974, beyond those programs provided
16 for the school year beginning July 1, 1971, and reimbursement
17 applied for by county boards of education and joint county
18 boards of education under those sections shall be made.

19 Sec. 23. Sections one (1) through twenty-two (22) of this
20 Act shall be retroactive to January 1, 1975 and take effect
21 for the 1975-1976 school year and succeeding school years.

22 Sec. 24. This Act, being deemed of immediate importance,
23 shall take effect and be in force from and after its publica-
24 tion in The Des Moines Register, a newspaper published in
25 Des Moines, Iowa, and in The Cedar Rapids Gazette, a news-
26 paper published in Cedar Rapids, Iowa. *certification of Publication*
27 *6/17/75 6/18/75 (2672)*

EXPLANATION

28 Section 1 changes the date local school districts certify
29 budgets.

30 Sections 2 and 3 relate to school standards and require
31 that the state department of public instruction be required
32 to conduct an immediate evaluation of the educational program
33 of each school district which fails to meet the prescribed
34 educational program. The procedure for removal from the
35 approved list is clarified and revised. The district is

1 allowed until the end of the following school year for
2 compliance and then procedures for removal commence. After
3 notification of removal, until the district has been merged,
4 the school district is required to pay tuition for its students
5 to attend an approved district.

6 Section 4 clarifies the section of the Code which allows
7 the area education agencies to provide auxiliary services
8 to nonpublic school students. The definition of auxiliary
9 services was passed during the 1974 session and is placed
10 in section 257.26 of the Code.

11 Section 5 places a reference to chapter 442 of the Code,
12 which is the state school aid chapter, in the section which
13 allows the area education agency board to receive and expend
14 money. The section is necessary because the computation of
15 budgets for media services and other services has been moved
16 to chapter 442 of the Code. This section also requires lease
17 and rental agreements for area administrative agencies to
18 be approved by the department of public instruction.

19 Section 6 requires the area education agency administrator
20 to submit program plans to the department of public instruction
21 for media services. This section is necessary because of
22 amendments made in the sections dealing with media services.

23 Section 7 adds a reference to chapter 273 in the section
24 dealing with duties of the area education agency director
25 of special education relating to criteria for plans for special
26 education instructional and support programs.

27 Section 8 amends the subsections of section 273.9 which
28 outline the procedures for computing the budgets for special
29 education support services, media services, and other services.
30 Reference is made to section 442.7 which prescribes the formula
31 for computing the budgets for each of the services.

32 Section 9 provides that a district which has been
33 reorganized not be allowed to file a petition for further
34 reorganization for a period of five years following the
35 completed reorganization unless further reorganization is

1 approved by the state board of public instruction.

2 Section 10 corrects a reference to section 273.5 of the
3 Code.

4 Section 11 removes the funding reimbursement provisions
5 for driver education which is changed to reflect funding
6 through allowable growth of 0.7 percent.

7 Section 12 guarantees a \$200 minimum per pupil in state
8 aid unless such guarantee would lower the foundation prop-
9 erty tax below 20 mills or \$5.40 per \$1,000 of assessed
10 valuation of taxable property.

11 Under present law each school district is entitled to
12 receive not less than \$200 state aid per pupil except when
13 a district's total general fund tax rate is reduced to 90%
14 or less of the district's total general fund tax rate for
15 the school year which began July 1, 1970.

16 Section 13 creates a permanent enrollment cushion to com-
17 pute an adjusted enrollment. The enrollment cushion is
18 computed by adding to actual enrollment the first 2 percent
19 of decline then 50 percent of the decrease thereafter. This
20 section also defines basic enrollment as the actual number
21 of pupils enrolled. This section also defines weighted
22 enrollment as the total enrollment after adjustment for
23 declining enrollment and for weighting of special education
24 provided in section 281.9 of the Code.

25 Section 14 allows expenditures of unspent balance car-
26 ried over and strikes reference to the income surtax.

27 Section 15 revises the allowable growth section. Subsection
28 1 establishes the state percent of growth for the 1975-1976
29 school year at 1.7 percent. Seven-tenths of one percent is
30 to compensate for the cost of improvements to the IPERS system
31 in 1973, and also to fund a portion of driver education cost
32 formerly reimbursed. Subsection 2 establishes a new method
33 to compute the state percent of growth. Subsection 3 limits
34 the state percent of growth to a positive number or zero.
35 Subsection 4 requires the state comptroller to recompute the

1 state percent of growth each year and to correct the state
2 percent of growth for errors due to estimates made in computing
3 the original state percent of growth. Subsection 5 requires
4 the state comptroller to estimate the state percent of growth
5 for the following year (budget year) by September fifteenth
6 of the base year. Subsection 6 defines the basic allowable
7 growth as the state percent of growth multiplied by the state
8 cost per pupil. Subsection 7 contains the modifications to
9 allowable growth. Paragraphs a and b contain no revisions.
10 Paragraph c prescribes the manner in which allowable growth
11 is modified for the costs of special education support services
12 for the 1975-1976 school year only.

13 Paragraph d prescribes the additions to allowable growth
14 for school years beginning July 1, 1976 and thereafter for
15 special education support services.

16 Section 16 clarifies the use of the term state cost per
17 pupil.

18 Section 17 clarifies the use of the term district cost
19 per pupil.

20 Section 18 strikes the provision which allowed the school
21 budget review committee to lower the allowable growth of a
22 district where the district cost would exceed 110 percent
23 of the state cost per pupil.

24 Sections 19 and 20 provide a means to raise additional
25 school funds called an enrichment amount up to a maximum of
26 5 percent of the state cost per pupil. This replaces the
27 former surtax provisions.

28 Section 21 provides the means to fund media and other
29 services for the area education agency for the school years
30 beginning July 1, 1975, and following. The total funds for
31 media services for the school year beginning July 1, 1975,
32 subject to a maximum of \$8.00 per enrollment served, will
33 be raised by each school district for the area education
34 agency and equal to the greater of either \$5.00 times the
35 enrollment served, or the total spent for media services in

1 the base year for media services plus the state percent of
2 growth. In subsequent years the area media service cost per
3 pupil served may increase at the rate of the state percent
4 of growth up to the \$8.00 limit. For other services for the
5 school year beginning July 1, 1975, each district shall raise
6 for the area education agency an amount equal to \$10.00 times
7 the enrollment served. In subsequent years the other services
8 cost per pupil shall increase by the state percent of growth.
9 This section also defines enrollment served as the basic
10 enrollment plus the nonpublic pupils served.

11 Section 22 establishes the reimbursement procedure for
12 special education services formerly provided by the local
13 district or the counties. The counties will be reimbursed
14 for the school year beginning July 1, 1974 for excess costs
15 and new and expanded programs as provided in chapter 281,
16 Code 1973, and the local districts reimbursed only for new
17 or expanded programs established pursuant to the provisions
18 of section 281.11, Code 1973.

19
20 Patchett of Johnson asked and received unanimous consent
21 that House File 558 be considered seriatim and that the bill be
22 divided into the following parts each of which to be considered
as one subject for the purposes of amendment:

- 23 Part 1—Section 1
- 24 Part 2—Sections 2 and 3
- 25 Part 3—Sections 4, 5, 6, 7 and 10
- 26 Part 4—Section 9
- 27 Part 5—Sections 12 and 18
- 28 Part 6—Section 13
- 29 Part 7—Sections 8, 11, 14, 15, 16, 17 and 21
- 30 Part 8—Sections 19 and 20
- 31 Part 9—Section 22
- 32 Part 10—Sections 23 and 24

RULE 32 SUSPENDED

33 Patchett of Johnson asked and received unanimous consent
34 that House Rule 32 be suspended for the consideration of House
35 File 558.

H-3425

Amend House File 558 as follows:

1. Page 11, line 14, by inserting after the period the words "For purposes of determining whether a district is entitled to an advance for increasing enrollment, and for record-keeping purposes, a determination of enrollment shall be made on the second Friday of September in the budget year, in the same manner as the January basic enrollment is determined."

2. Page 21, line 33, by striking the word "section" and inserting in lieu thereof the word "sections".

3. Page 24, by inserting after line 5 the following:

NEW SECTION. ADVANCE FOR INCREASING ENROLLMENT.

If a district's basic enrollment on the second Friday of September in the budget year, determined in the same manner as the January basic enrollment is determined under section four hundred forty-two point four (442.4) of the Code, is higher than its basic enrollment on the second Friday of January in the base year, the district is entitled to an advance from the state of an amount equal to its district cost per pupil for the budget year multiplied by its increase in basic enrollment. The advance shall be miscellaneous income.

If a district receives an advance under this section for a budget year, the state comptroller shall determine the percentage of its district cost per pupil for that budget year which is met by local property tax revenues, and shall reduce the district's total state school aids available under this chapter for the next following budget year by that percentage multiplied by the amount of the advance, so that the local property tax for the next following year will be increased only by the amount which it would have been increased in the budget year if the basic September enrollment could have been used to establish the levy.

There is appropriated each year from the general fund of the state the amount required to pay advances authorized under this section, which shall be paid to school districts in the same manner as other state aids are paid under section four hundred forty-two point twenty-six (442.26) of the Code.

4. Amend the title, line 21, by inserting after the comma the words "providing an advance to compensate for increasing enrollment".

H-3425 FILED - *Withdrawn 4/4 (9.15)*
APRIL 3, 1975 *3446 substituted*

BY BYERLY of Polk
STROMER of Hancock
NORLAND of Worth
CRAWFORD of Story
SCHROEDER of Pottawattamie
WOODS of Polk
HARVEY OF Scott
DAGGETT of Adams

H-3411

1 Amend House File 558 as follows:

2 1. Page 12, line 5, by inserting after the word
3 "obtained" the words "from school transportation
4 aid,".

5 2. Page 16, line 28, by inserting after the
6 period the following:

7 "However, for the budget year beginning July 1,
8 1975, the state cost per pupil as otherwise com-
9 puted under this section shall be reduced by the
10 average cost per pupil in weighted enrollment in
11 the state for school transportation in the base
12 year, based upon authorized transportation costs
13 approved by the department of public instruction."

14 3. Page 21, line 33, strike the word "section"
15 and insert in lieu thereof the word "sections".

16 4. Page 24, insert after line 5 the following:

17 "NEW SECTION. 1. A school transportation aid
18 fund is established. There is appropriated to the
19 school transportation aid fund for each budget year
20 an amount to be determined by the state comptroller
21 as follows:

22 a. Multiply the average cost per pupil in
23 weighted enrollment in the state for school trans-
24 portation in the base year, based upon authorized
25 transportation costs approved by the department of
26 public instruction, by the percentage of the state
27 cost per pupil which determines the state foundation
28 base for the budget year, as provided in section
29 four hundred forty-two point three (442.3) of the
30 Code.

31 b. Multiply the product by the weighted enroll-
32 ment in the state for the budget year.

33 c. The final product is the amount appropriated.

34 2. The state comptroller shall allocate the
35 amount appropriated to the school transportation
36 aid fund for each budget year to each school district
37 in the state as follows:

38 a. Multiply each school district's cost per
39 pupil in weighted enrollment for school transporta-
40 tion in the base year, based upon authorized trans-
41 portation costs approved by the department of public
42 instruction, by the percentage of the state cost
43 per pupil which determines the state foundation
44 base for the budget year, as provided in section
45 four hundred forty-two point three (442.3) of the
46 Code.

47 b. Multiply the product by the weighted enroll-
48 ment in the district for the budget year.

49 c. The final product is the amount allocated
50 to each district for school transportation aid.

1 3. A school district required by chapter two
 2 hundred eighty-five (285) of the Code to provide
 3 transportation to pupils is entitled to school
 4 transportation aid as provided in this section.
 5 However, no transportation aid shall be paid to
 6 school districts to cover costs incurred in trans-
 7 porting pupils from home to a bus route, or in
 8 transporting pupils not entitled to free trans-
 9 portation but who are transported at the expense
 10 of the home district or the parents. The secretary
 11 of each district shall, on or before the first day
 12 of July of each year, report to the state depart-
 13 ment of public instruction on blanks furnished by
 14 the department, the information it requires for
 15 determining the amount of the district's trans-
 16 portation cost per pupil in the base year. The
 17 department may require further supporting data and
 18 information, and shall certify the proper amount
 19 for each district to the state comptroller. The
 20 state comptroller shall draw warrants and deliver
 21 them to the districts, as provided in section four
 22 hundred forty-two point twenty-six (442.26) of the
 23 Code."

24 5. Amend the title, line 20, by inserting after
 25 the word "of" the words "transportation, and of".

H-3411 FILED
 APRIL 2, 1975

*Filed not germane
 4/4 (921)*

BY STROMER of Hancock	WYCKOFF of Benton
BENNETT of Ida	PERKINS of Greene
HOWELL of Floyd	HALVERSON of Clayton
MENKE of O'Brien	SCHROEDER of Pottawattamie
TOFTE of Winneshiek	VARLEY of Adair
DYRLAND of Clayton	DAGGETT of Adams
EVANS of Grundy	CRABB of Crawford
WEST of Marshall	WELDEN of Hardin
McELROY of Fremont	DUNTON of Keokuk
DANKER of Pottawattamie	MILLEN of Van Buren
LONERGAN of Boone	BRANSTAD of Winnebago
HANSEN of O'Brien	DEN HERDER of Sioux

H-3411 FILED
 APRIL 2, 1975

H-3413

1 Amend House File 558, page 12, by striking
 2 line 31 and by striking from line 32 the words
 3 "percent of growth is ten" and inserting in lieu
 4 thereof the following:
 5 "1. For the budget year beginning July 1,
 6 1975, the state percent of growth is ten and
 7 four-tenths".

H-3413 FILED - Last 4/4
 APRIL 2, 1975 (925)

BY HANSEN of O'Brien	EVANS of Grundy
MENKE of O'Brien	BRANSTAD of Winnebago
DANKER of Pottawattamie	TOFTE of Winneshiek
CRABB of Crawford	
BORTELL of Madison	
EGENES of Story	

H-3410

1 Amend House File 558 as follows:

2 1. Page 19, by striking lines 7 through 35 and
3 page 20, by striking lines 1 through 17, and in-
4 serting in lieu thereof the following:

5 "2. The board shall determine the enrichment
6 amount per pupil needed and shall include in its
7 budget prepared under chapter twenty-four (24) of
8 the Code, a clear statement of the fact that this
9 amount is to be raised by a property tax levied in
10 addition to the levy otherwise authorized under
11 chapter four hundred forty-two (442) of the Code,
12 and the specific purposes for which the levy will
13 be used. The budget must also show that the
14 enrichment levy is imposed for one year, and that
15 it will be considered miscellaneous income and will
16 not become a part of the authorized district cost
17 in succeeding years."

18 2. Page 20, by striking lines 21 through 35,
19 and page 21, by striking lines 1 through 31, and
20 inserting in lieu thereof the following:

21 "442.15 LEVY. No later than August first of
22 each year, the state comptroller shall compute the
23 enrichment levy for each school district which has
24 included an enrichment amount established under
25 section four hundred forty-two point fourteen
26 (442.14) of the Code in its certified budget, and
27 shall notify the county auditor of each county the
28 amount of the enrichment levy needed for any such
29 district in the county. The county auditors shall
30 levy the enrichment property tax in the same manner
31 as other property tax levies certified by the
32 district."

33 3. Page 24, by inserting after line 18 the
34 following section, and renumbering remaining
35 sections accordingly:

36 "Sec. 23. Sections four hundred forty-two point
37 sixteen (442.16) through four hundred forty-two point
38 twenty (442.20), Code 1975, are repealed."

39 4. Amend the title, line 18, by striking the
40 words ", state aid, and an income surtax".

41 5. Amend the title, line 24, by striking the
42 words "making an appropriation,".

H-3410 FILED - Lost 4/4 (932)
APRIL 2, 1975

BY HORN of Linn

H-3405

1 Amend House File 558, page 11, by striking lines
2 18 through 31 and inserting in lieu thereof the
3 following:

4 "2. The state comptroller shall compute for
5 each district an adjusted enrollment equal to the
6 greater of the following:

7 a. If a district has a decrease from the basic
8 enrollment of the base year to the basic enroll-
9 ment budget year, the state comptroller shall de-
10 termine an adjusted enrollment for the district by
11 adding to the basic enrollment for the budget year
12 an amount equal to one hundred percent of the de-
13 crease to the extent that the decrease is not more
14 than two percent of the base year's basic enroll-
15 ment, and fifty percent of the remaining decrease
16 to either the basic enrollment for the budget year,
17 or for the school years beginning July 1, 1975, and
18 July 1, 1976, the sum of the basic enrollment for
19 the base year plus adjustments made for decreasing
20 enrollment under the law in effect July first of
21 the base year, whichever is larger. The additional
22 amount used in computing adjusted enrollment in a
23 base year is not used in computing adjusted enroll-
24 ment for a budget year after the school year be-
25 ginning July 1, 1976.

26 b. If a district does not have a decreasing basic
27 enrollment from the base year to the budget year, its
28 adjusted enrollment for the budget year is the greater
29 of its basic enrollment for the budget year or, for
30 school years beginning July 1, 1975, and July 1, 1976,
31 its basic enrollment for the base year plus adjust-
32 ments made for decreasing enrollment under the law
33 in effect July first of the base year. The additional
34 amount used in computing adjusted enrollment in a
35 base year is not used in computing adjusted enroll-
36 ment for a budget year after the school beginning
37 July 1, 1976."

H-3405 FILED - *Last 4/4 (919)*
APRIL 2, 1975

BY BENNETT of Ida
STROMER of Hancock
WEST of Marshall
DEN HERDER of Sioux
CRABB of Crawford
DANKER of Pottawattamie
FULLERTON of Woodbury
WULFF of Black Hawk
BRANSTAD of Winnebago
WELDEN of Hardin
TOFTE of Winneshiek
HANSEN of O'Brien
MENKE of O'Brien
NEALSON of Muscatine
LAGESCHULTE of Bremer

H-3397

- 1 Amend House File 558 as follows:
2 1. Page 7, by striking lines 21 through 32.
3 2. Renumber the sections and correct internal
4 references in conformance with this amendment.

H-3397 FILED - *Last 4/3 (876)*
APRIL 2, 1975

BY SPEAR of Lee

H-3398

- 1 Amend House File 558 as follows:
2 1. Page 9, by striking everything after the
3 period in line 20, by striking lines 21 and 22 and
4 the words "dollars per pupil" in line 23 and
5 inserting in lieu thereof the following:
6 "~~However, if the amount so determined for any~~
7 ~~district is less than two hundred dollars per pupil,~~
8 ~~the district is entitled to receive not less than~~
9 ~~two hundred dollars per pupil~~".
10 2. Page 9, lines 34 and 35, by striking the
11 words ". However if the receipt of two hundred dollars
12 by a school district" and inserting in lieu thereof
13 the following: "7".
14 3. Page 10, by striking lines 1 through 5 and
15 everything before the word "In" in line 6.

H-3398 FILED - *Last 4/3 (876)*
APRIL 2, 1975

BY SPEAR of Lee
MENNENGA of Clinton

H-3399

- 1 Amend House File 558 as follows:
2 1. Page 19, line 3, by striking the word "only".
3 2. Page 19, line 4, by inserting after the word
4 "for" the words ", but not limited to,".
5 3. Page 19, line 16, by striking the word
6 "thirty-five" and inserting in lieu thereof the
7 word "twenty-five". B

H-3399 FILED *A-Last, B-Adopted 4/4* BY SPEAR of Lee
APRIL 2, 1975 *4/4 (930)*

H-3403

- 1 Amend House File 558, page 12, by inserting
2 after line 32 the following:
3 "Seven-tenths of one percent of the state percent
4 of growth is to compensate for the cost of improve-
5 ments to the Iowa public employees' retirement
6 system and also to fund a portion of the cost of
7 driver education classes offered by the district
8 and formerly funded partly by a state appropria-
9 tion."

H-3403 FILED - *Adopted 4/4 (937)*
APRIL 2, 1975

BY STROMER of Hancock
CRAWFORD of Story
MENKE of O'Brien

House File 558

H-3408

1 Amend House File 558, page 12, line 32, by
2 striking the words "seven-tenths percent" and
3 inserting in lieu thereof the following:
4 "three-tenths of one percent to be used to
5 fund a portion of the cost of driver education
6 instruction offered by the district and formerly
7 funded by a state appropriation".

H-3408 FILED - *Last 4/4 (926)*
APRIL 2, 1975

BY STROMER of Hancock
CRAWFORD of Story
MENKE of O'Brien

House File 558

H-3409

1 Amend House File 558 as follows:
2 1. Page 10, by inserting after line 8 the
3 following:
4 "Sec. . Section four hundred forty-two point
5 three (442.3), Code 1975, is amended to read as
6 follows:
7 442.3 STATE FOUNDATION BASE. The state founda-
8 tion base for the school year beginning July 1,
9 1972, is seventy percent of the state cost per
10 pupil. For each succeeding school year the state
11 foundation base shall be increased by the amount
12 of one percent of the state cost per pupil, up
13 to a maximum of eighty percent of the state cost
14 per pupil. However for the school years beginning
15 July 1, 1975 and July 1, 1976, the state founda-
16 tion base is equal to seventy-five percent of the
17 state cost per pupil and shall remain at seventy-
18 five percent for the school year beginning July 1,
19 1977. The district foundation base is the larger
20 of the state foundation base or the amount per
21 pupil which the district will receive from founda-
22 tion property tax and state school foundation aid."

H-3409 FILED - *Last 4/3 (872)*
APRIL 2, 1975

BY STROMER of Hancock
HARVEY of Scott
TAUKE of Dubuque

H-3423

1 Amend the Lipsky amendment H-3402 to House File
2 558, lines 10 and 11 by striking the words "school
3 budget review committee" and inserting in lieu
4 thereof the words "state board of public instruc-
5 tion".

H-3423 FILED - *Adopted 4/4 (920)*
APRIL 3, 1975

BY PATCHETT of Johnson

H-3404

1 Amend House File 558, page 12, by striking
2 lines 30 and 31 and by striking from line 32
3 the words "percent of growth is ten" and inserting
4 in lieu thereof the following:
5 "42.7 STATE PERCENT OF GROWTH--BASIC ALLOW-
6 ABLE GROWTH--MODIFIED ALLOWABLE GROWTH.
7 1. For the budget year beginning July 1, 1975,
8 the state percent of growth is twelve".

H-3404 FILED - *Last 4/4 (924)*
APRIL 2, 1975

BY CRAWFORD of Story
HARVEY of Scott
READINGER of Polk
EGENES of Story
HALVORSON of Clayton
EVANS of Grundy

H-3406

i Amend House File 558 as follows:
2 1. Page 12, line 19, by inserting after the
3 word "certified" the words "for a prior year or
4 for the budget year".
5 2. Page 12, line 32, by striking the word
6 "ten" and inserting in lieu thereof the word
7 "fourteen".

H-3406 FILED - *Last 4/4 (923)*
APRIL 2, 1975

BY TAUKE of Dubuque
WULFF of Black Hawk
JUNKER of Woodbury
NEALSON of Muscatine
READINGER of Polk
GENTLEMAN of Polk
OAKLEY of Clinton
LIPSKY of Linn
EGENES of Story
WEST of Marshall
BROCKETT of Marshall

H-3407

1 Amend House File 558 as follows:
2 1. Page 8, by striking lines 5 through 35.
3 2. Page 9, by striking lines 1 through 10.
4 3. Page 12, line 32, by striking the words
5 "and seven-tenths percent" and inserting in lieu
6 thereof the following:
7 "plus four-tenths of one percent to be used
8 to fund improvements to the Iowa public employees'
9 retirement system".
10 4. Renumber the sections and correct internal
11 references in conformance with this amendment.

H-3407 FILED - *Last 4/4 (921)*
APRIL 2, 1975

BY STROMER of Hancock
CRAWFORD of Story
MENKE of O'Brien

H-3415

1 Amend House File 558 as follows:

2 1. Page 18, line 34, by inserting after the comma
3 the following:

4 "and the school board has not attempted by resolu-
5 tion to raise an additional enrichment amount for
6 that budget year,".

7 2. Page 19, line 11, by inserting after the word
8 "Code" the following:

9 ", and stating the number of qualified electors of
10 the school district necessary to petition for an
11 election on the question".

12 3. Page 19, line 13, by inserting after the
13 period the following:

14 "The first publication shall appear prior to
15 November fifteenth in the base year."

16 4. Page 21, by striking everything after the
17 period in line 25 and by striking lines 26 through
18 31 and inserting in lieu thereof the following:

19 "If the amount authorized is less than the
20 maximum of five percent of the state cost per pupil
21 and the board wishes to increase the amount, it
22 shall reestablish its authority to do so in the
23 manner provided in section four hundred forty-two
24 point fourteen (442.14) of the Code. If the board
25 wishes to continue any additional enrichment amount
26 beyond the five-year period, it shall reestablish its
27 authority to do so in the manner provided in section
28 four hundred forty-two point fourteen (442.14) of the
29 Code within the twelve-month period prior to termina-
30 tion of the five-year period."

H-3415 FILED - *Adopted 4/4 (930)*
APRIL 2, 1975

BY STROMER of Hancock

H-3427

1 Amend House File 558, page 10, line 6, by in-
2 serting before the period the following:
3 "

4 " , and if the money raised by the foundation
5 property tax alone exceeds the maximum allowed
6 district cost for the budget year, the district
7 shall pay the excess amount to the state general
fund".

H-3427 FILED, WITHDRAWN
APRIL 3, 1975

BY MENNENGA of Clinton

1 Amend House File 558, page 10, line 25, by
 2 striking the words "not included in basic enroll-
 3 ment" and inserting in lieu thereof the words
 4 "included in basic enrollment in the proportion
 5 that the time they are in class receiving instruction
 6 during the school year is to the time that full-time
 7 elementary pupils carrying a normal course schedule
 8 in the same school district, for the same school
 9 year, are in class receiving instruction, but only
 10 if the prekindergarten programs are approved by the
 11 department of public instruction based upon the
 12 following criteria:

13 a. The pupils enrolled must be four years of
 14 age by September fifteenth of the school year in
 15 which they are enrolled.

16 b. The pupils enrolled must be below the average
 17 for their age in educational development, as deter-
 18 mined by standardized tests approved by the depart-
 19 ment, or must demonstrate unusual family socio-
 20 cultural factors, as determined by a screening
 21 program approved by the department".

H-3412 FILED - *Lost 4/4 (914)*
 APRIL 2, 1975

BY HORN of Linn

1 Amend House File 558 as follows:

2 1. Page 18, by inserting after line 25 the
 3 following new section:

4 "Sec. _____. Section four hundred forty-two
 5 point thirteen (442.13), Code 1975, is amended by
 6 adding the following new subsection:

7 NEW SUBSECTION. The school budget review
 8 committee shall reimburse upon application each
 9 school district for actual costs incurred for pre-
 10 kindergarten programs during the period from the
 11 second Friday in January of 1975, to July 1, 1975,
 12 established by the district in compliance with the
 13 school standards provided by chapter two hundred
 14 fifty-seven of the Code."

15 2. Renumber the sections and correct internal
 16 references in conformance with this amendment.

H-3414 FILED - *3414 what title*
 APRIL 2, 1975 *3414 rec'd. 4/3 (248)*

BY STROMER of Hancock
 DUNTON of Keokuk
 LIPSKY of Linn

H-3416

1 Amend House File 558 as follows:
2 1. Page 19, by striking lines 8 through 23 and
3 inserting in lieu thereof the following:
4 "amount per pupil needed and shall direct the
5 county commissioner of elections to submit the
6 question of whether to raise that amount under
7 the provisions of this section and section four
8 hundred forty-two point fifteen (442.15) of the
9 Code, to the qualified electors of the school
10 district at a regular or special school election
11 held not later than February fifteenth of the
12 base year. If a majority of those voting favors
13 raising the enrichment amount, the board may in-
14 clude the amount in its certified budget."
15 2. Page 20, by striking lines 21 through 24
16 and inserting in lieu thereof the following:
17 "442.15 COMPUTATION OF ENRICHMENT AMOUNT.
18 If a majority".
19 3. Page 20, by striking lines 29 through 31
20 and inserting in lieu thereof the following:
21 "procedures have been carried out, and the
22 state comptroller shall establish the amount of".

H-3416 FILED - *Lost 4/4 (934)*
APRIL 3, 1975

BY PONCY of Wapello

H-3424

1 Amend House File 558, page 19, line 16, by
2 inserting after the word "percent" the words
3 "or more".

H-3424 FILED - *Adopted 4/4 (934)*
APRIL 3, 1975

BY PATCHETT of Johnson

H-3428

1 Amend House File 558 as follows:
2 1. Page 1, by striking lines 1 through 14.
3 2. Page 12, line 35, by striking the word
4 "February" and inserting in lieu thereof the
5 word "January".
6 3. Page 13, line 33, by striking the word
7 "February" and inserting in lieu thereof the
8 word "January".
9 4. Renumber sections and correct internal
10 references in accordance with this amendment.
11 5. Amend the title, line 2, by striking the
12 words "by changing the certification date of
13 school budgets,".

H-3428 FILED, LOST (873)
APRIL 3, 1975

BY BITTLE of Polk

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Amend House File 558 as follows:
1. Page 22, line 2, by inserting before the comma the words "and by state aid".
2. Page 23, line 11, by inserting before the word "shall" the words "provided to the pupils in basic enrollment".
3. Page 23, line 14, by adding after the period the words "The portion allocated to each district in an area each budget year for media services and other services provided to nonpublic school pupils shall be paid to the districts as state aid and shall be added to the miscellaneous income of the districts."
4. Page 23, line 18, by inserting before the period the words "as district cost".
5. Page 23, line 31, by inserting after the period the words "The state comptroller shall calculate the amount of state aid due to each district to fund the portion to be allocated to each district for services provided to nonpublic school pupils, and shall pay the amounts so calculated to the districts' area education agencies on a quarterly basis during each school year. The amounts so calculated are appropriated each year from the general fund of the state for this purpose."

H-3429 FILED - *Last 4/4 (929)*
APRIL 3, 1975

BY DEN HERDER of Sioux
HANSEN of O'Brien

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Amend House File 558 as follows:
1. Page 23, line 33, by inserting after the word "nonpublic" the word "school".
2. Page 23, line 34, by inserting after the word "nonpublic" the word "school".
3. Page 24, line 4, by inserting after the word "nonpublic" the word "school".

H-3430 FILED - *Adopted 4/4 (929)*
APRIL 3, 1975

BY PATCHETT of Johnson

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Amend House File 558, page 19 by striking lines 3 through 6 and inserting in lieu thereof the following:
"The additional enrichment amount may be used for the continuation of existing programs or for the development of new programs."

H-3431 FILED - *Last 4/4 (931)*
APRIL 3, 1975

BY WELDEN of Hardin

H-3432

1 Amend House File 558, page 24, by striking lines
2 6 through 18.

H-3432 FILED - *Last 4/4 (935)* BY VARLEY of Adair
APRIL 3, 1975

H-3433

1 Amend the Bennett amendment H-3405, to House
2 File 558 as follows:
3 1. Line 11, by striking the words "to the
4 basic enrollment for the budget year".
5 2. Line 36, by inserting after the word
6 "school" the word "year".

H-3433 FILED - *Adopted 4/4 (918)* BY BENNETT of Ida
APRIL 3, 1975

H-3434

1 Amend the Spear, Mennenga amendment H-3398,
2 to page 10 of House File 558 by striking line 15
3 and inserting in lieu thereof the following:
4 "everything through the period in line 6, and in-
5 sserting in lieu thereof the following: 'If the
6 money raised by the foundation property tax ex-
7 ceeds the maximum allowed district cost for the
8 budget year, the district shall pay the excess
9 amount to the state general fund.' "

H-3434 FILED - *Withdrawn 4/3 (876)* BY MENNENGA of Clinton
APRIL 3, 1975

House File 558

H-3435

1 Amend House File 558 as follows:
2 1. Page 10, line 7, by inserting after the
A 3 comma the words "except in the case of computa-
4 tions relating to funding of special education
5 support services, media services and other ser-
6 vices provided through the area education
7 agencies,".
B 8 2. Page 22, line 12, by inserting before the
9 word "expenditures" the word "budgeted".

H-3435 FILED, H-3435A ADOPTED BY MENNENGA of Clinton
APRIL 3, 1975 *3435B " 4/4 (937)*

1 Amend House File 558 as follows:
 2 1. Page 11, by inserting after line 31 the
 3 following and renumbering the remaining subsec-
 4 tion:
 5 "3. However, for the school years beginning
 6 July 1, 1975, and July 1, 1976, the state comptroller
 7 shall compute for each district an adjusted enroll-
 8 ment equal to the greater of the following:
 9 a. If a district has a decrease from the basic
 10 enrollment of the base year to the basic enrollment
 11 of the budget year, the state comptroller shall
 12 determine an adjusted enrollment for the district
 13 by adding an amount equal to one hundred percent of
 14 the decrease to the extent that the decrease is not
 15 more than two percent of the base year's basic en-
 16 rollment, and fifty percent of the remaining decrease,
 17 to either the basic enrollment for the budget year or
 18 to the sum of the basic enrollment for the base year
 19 plus adjustments made for decreasing enrollment under
 20 the law in effect July first of the base year, which-
 21 ever is larger.
 22 b. If a district does not have a decrease from the
 23 basic enrollment of the base year to the basic enroll-
 24 ment of the budget year, its adjusted enrollment for
 25 the budget year is the greater of its basic enrollment
 26 for the budget year or its basic enrollment for the
 27 base year plus adjustments made for decreasing enroll-
 28 ment under the law in effect July first of the base
 29 year."

H-3436 FILED - *H. L. 4/4 (919)* BY BENNETT of Ida
 APRIL 3, 1975

H-3437

1 Amend House File 558 as follows:
 2 1. Page 18, by inserting after line 25 the
 3 following new section:
 4 "Sec. _____. Section four hundred forty-two point
 5 thirteen (442.13), Code 1975, is amended by adding
 6 the following new subsection:
 7 NEW SUBSECTION. The school budget review commit-
 8 tee shall reimburse upon application each school
 9 district for actual costs incurred for prekinderg-
 10 garten programs during the period from the second
 11 Friday in January of 1975, to July 1, 1975, estab-
 12 lished by the district in compliance with the
 13 school standards provided by chapter two hundred
 14 fifty-seven (257) of the Code."
 15 2. Renumber the sections and correct internal
 16 references in conformance with this amendment.
 17 3. Amend the title, line 17, by inserting after
 18 the word "growth" the words "and reimburse school
 19 districts for prekindergarten programs".

H-3437 FILED, *LOST (879)* BY STROMER of Hancock
 APRIL 3, 1975 DUNTON of Keokuk
 LIPSKY of Linn

House File 558

H-3449

- 1 Amend House File 558 as follows:
- 2 1. Page 4, line 35, by striking the word "depart-
- 3 ment" and inserting in lieu thereof the words
- 4 "department state board".
- 5 2. Page 5, line 4, by striking the word
- 6 "department" and inserting in lieu thereof the
- 7 words "state board".

H-3449 FILED, ADOPTED (929)
APRIL 4, 1975

BY PATCHETT of Johnson
BYERLY of Polk
STROMER of Hancock
HANSEN of O'Brien
HORN of Linn
CRAWFORD of Story
MENNENGA of Clinton
NORLAND of Worth

H-3461

- 1 Amend the Horn amendment H-3410, to page 20 of
- 2 House File 558, line 21, by striking the word
- 3 "August" and inserting in lieu thereof the word
- 4 "May".

H-3461 FILED, ADOPTED (932)
APRIL 4, 1975

BY HORN of Linn

- 1 Amend House File 558 as follows:
- 2 1. Page 19, by striking all of lines 25 through
- 3 30 and inserting in lieu thereof the following: "with-
- 4 in the limits provided in this section by a school
- 5 district income surtax."
- 6 2. Page 19, by striking all after the word "by"
- 7 in line 33, all of lines 34 and 35, and the word "and"
- 8 from line 1 of page 20.
- 9 3. Page 20, line 5 by striking the words "comb-
- 10 ination tax in the prescribed proportion" and inserting
- 11 in lieu thereof the word "surtax".
- 12 4. Page 20, lines 10 and 11 by striking the words
- 13 "fifty-four cents to determine the maximum enrichment
- 14 property tax in that district, and by".

H-3438 FILED - *Last 4/4* BY EVANS of Grundy
 APRIL 3, 1975 (935) BRANSTAD of Winnebago
 BENNETT of Ida
 DANKER of Pottawattamie
 TOFTE of Winneshiek
 WEST of Marshall
 DENHERDER of Sioux
 DAGGETT of Adams
 BORTELL of Madison

House File 558

- 1 Amend House File 558, page 18, line 18, by in-
- 2 serting after the period the following: "However,
- 3 for the budget year beginning July 1, 1975, each
- 4 school district which provided special education
- 5 services under sections two hundred eighty-one
- 6 point nine (281.9) through two hundred eighty-
- 7 one point eleven (281.11) of the Code, as those
- 8 sections are in effect prior to July 1, 1975, for
- 9 the school year beginning July 1, 1975, shall reduce
- 10 its district cost by its unreimbursed excess cost
- 11 defined as reimbursable under said section two
- 12 hundred eighty-one point nine (281.9) of the Code."

H-3439 FILED - *Last 4/4* (927) BY VARLEY of Adair
 APRIL 3, 1975

1 Amend House File 558, page 11, by striking
2 lines 18 through 31 and inserting in lieu thereof
3 the following:

4 "2. The state comptroller shall compute an
5 adjusted enrollment for each district by adding
6 to its basic enrollment for the budget year the
7 sum of the following:

8 a. If the district has a decrease from the
9 basic enrollment of the base year to the basic
10 enrollment of the budget year, an amount equal
11 to one hundred percent of the decrease to the
12 extent that the decrease is not more than two
13 percent of the base year's basic enrollment, and
14 fifty percent of the remaining decrease. The
15 amount added under this paragraph in a base year
16 is not used in computing the amount to be added
17 under this paragraph for a budget year. If a
18 district does not have a decreasing basic enroll-
19 ment from the base year to the budget year, its
20 amount to be added under this paragraph for the
21 budget year is zero.

22 b. An amount equal to one-third of the number
23 of resident pupils within the district attending
24 nonpublic schools in grades kindergarten through
25 twelve. However such amount shall not exceed
26 the lesser of one thousand pupils or one-fifth
27 of the basic enrollment in the district for the
28 budget year."

H-3401 FILED - *Lost 4/4 (917)*
APRIL 2, 1975

BY TAUKE of Dubuque

1 Amend House File 558 as follows:

2 1. Page 7, by inserting after line 20 the follow-
3 ing section:

4 "Sec. _____. Chapter two hundred seventy-three (273),
5 Code 1975, is amended by adding the following new sec-
6 tion:

7 NEW SECTION. MEDIA PRODUCTION. The purchase or
8 lease of equipment or facilities for media production
9 or reproduction by an area education agency shall re-
10 quire the approval of the school budget review commit-
11 tee. However, the purchase or lease of equipment for
12 television production, television transmission, or
13 closed circuit television transmission by an area
14 education agency is prohibited. If the area educa-
15 tion agency wishes to use equipment for television
16 production, television transmission, or closed circuit
17 television transmission, the area education agency shall
18 contract with the state educational radio and televi-
19 sion facility board."

20 2. By renumbering sections as necessary pursuant
21 to this amendment.

H-3402 FILED - *Adopted as amended*
APRIL 2, 1975 *by 3423 4/2 (920)*

BY LIPSKY of Linn
WEST of Marshall
READINGER of Polk

April 7, 1975

HOUSE FILE 558

Sen. Ed. 4/2, Pass per 3564 4/7

By COMMITTEE ON EDUCATION

(AS AMENDED AND PASSED BY THE HOUSE)

Passed House, ^{*per Senate amendment as amended*} Date *5-9-75 (1689)* Passed Senate, ^{*as further amended*} Date *4-23-75 (1284)*

Vote: Ayes *71* Nays *2* Vote: Ayes *42* Nays *5*

Approved *6-3-75*

Motion to reconsider failed 5-9 (1690) Passed Senate per House amendment 5-14-75 (1379)

44-4

A BILL FOR

1 An Act relating to elementary, secondary and prekindergarten
 2 education, by changing the certification date of school budgets,
 3 providing for enforcement of school standards and prescribing
 4 time periods for compliance, clarifying the provision of auxil-
 5 iary services, clarifying duties of the area education agency
 6 board and administrator, the director of special education, the
 7 department of public instruction, and the state comptroller,
 8 limiting reorganization under certain conditions, modifying re-
 9 imbursement provisions for driver education, modifying the two
 10 hundred dollar minimum state foundation aid, providing new
 methods
 11 for defining enrollment and augmenting declining enrollment,
 12 clarifying authorized expenditures, providing a state percent of
 13 growth for the 1975-76 school year, new methods for determining
 14 state percent of growth and allowable growth, correcting methods
 15 of computing state cost and district cost per pupil, modifying
 16 the authority of the school budget review committee to reduce
 17 allowable growth, authorizing an enrichment program funded by
 18 property tax, state aid, and an income surtax to replace the
 19 former income surtax provisions, providing new methods for deter-
 deter-
 20 mining and funding costs of media services and other services
 pro-
 21 vided through the area education agencies, providing
 22 an advance to compensate for increasing enrollment,
 23 modifying reimbursement
 24 for special education services formerly offered by local districts
 25 and county or joint county school systems, correcting references,
 26 making an appropriation, and providing a retroactive effective
 date.

27 *Be It Enacted by the General Assembly of the State of Iowa:*

1 Section 1. Section twenty-four point seventeen (24.17),
2 unnumbered paragraph one (1), Code 1975, is amended to read
3 as follows:

4 The local budgets of the various political subdivisions[,
5 except for local school districts,] shall be certified by the
6 chairman of the certifying board or levying board, as the
7 case may be, in duplicate to the county auditor not later
8 than March [15] *fifteenth* of each year on blanks prescribed
9 by the state board, and according to the rules and instruction
10 which shall be furnished all certifying and levying boards
11 in printed form by the state board. [The local budgets of
12 local school districts shall be certified not later than
13 February 15 in the same manner as local budgets of the various
14 political subdivisions are certified.]

15 Sec. 2. Section two hundred fifty-seven point twenty-five
16 (257.25), subsections ten (10) and eleven (11), Code 1975,
17 are amended to read as follows:

18 10. As a basis for inclusion on the list of approved
19 schools, the state department of public instruction shall
20 evaluate the school educational program in the several school
21 systems of the state for the purposes of school improvement
22 and approval, and each public and nonpublic school system
23 shall make such reports as the superintendent of public
24 instruction deems necessary to show compliance with the
25 curriculum programs and other requirements prescribed in the
26 Code. *The state department, in consultation with the board
27 of directors and administration of the school district, shall
28 conduct an immediate evaluation of the educational program
29 of each school district which the department determines has
30 failed to comply with the curriculum programs and other
31 requirements prescribed in the Code.*

32 The state superintendent shall make recommendations and
33 suggestions in writing to each school and school district
34 which is subject to this section when the department of public
35 instruction determines, after due investigation, that

1 deficiencies exist in any school or school district.

2 The state board of public instruction shall adopt approval
3 standards and rules to implement, interpret and make effective
4 the provisions of this section. In adopting the same, the
5 board shall take into account recognized educational standards.
6 Standards and rules shall be of general application without
7 specific regard to school population.

8 Such standards and rules shall be subject to the provisions
9 of chapter 17A. In addition, such standards and rules shall
10 be reported by the state board to the general assembly within
11 twenty days after the commencement of a regular legislative
12 session. No school or school district shall be removed from
13 the approved list for failure to comply with such standards
14 or rules, until at least one hundred twenty days have elapsed
15 following the reporting of such standards and rules to the
16 general assembly as provided in this section.

17 11. The state board of public instruction shall remove
18 for cause, after due investigation and notice, any school
19 or school district from the approved list which fails to
20 comply with such approval standards and rules *in the manner*
21 *prescribed in this subsection.* The state board shall allow
22 a reasonable period of time *after notification of*
23 *noncompliance, [which shall be at least one] not to exceed the*
24 *following school year, for compliance with such approval*
25 *standards and rules. [if such] If the school or school district*
26 *is making a good faith effort and substantial progress toward*
27 *full compliance and if the failure to comply is due to factors*
28 *beyond the control of the board of directors or governing*
29 *body of such school or school district additional time may*
30 *be granted.* In allowing such time for compliance, the board
31 shall follow consistent policies, taking into account the
32 circumstances of each case. The reasonable period of time
33 for compliance [may be, but need not be given prior to] *shall*
34 *not exceed* the one-year notice requirement [that is required
35 under] *of subsection 12. [A school or school district which*

1 is removed from the approved list pursuant to the provisions
2 of this section shall be ineligible to receive state financial
3 aid during the period of noncompliance.]

4 [The] *During the period of time allowed for compliance, the*
5 superintendent of public instruction and the president of
6 the state board shall confer with the affected school board
7 and with the school boards of contiguous school districts
8 to assist the affected school board in determining how best
9 to offer the students of that district an approved educational
10 program. [When a school district has been removed from the
11 approved list, is ineligible to receive state aid, and can
12 no longer continue to operate, the board of directors shall
13 seek to merge the territory of the school district with one
14 or more contiguous school districts pursuant to the provisions
15 of chapter 275. If by the first of July the following school
16 year, the district has not met the approval standards and
17 any portion of the district has not been merged with one or
18 more contiguous school districts, the portion that has not
19 been merged shall be merged with one or more contiguous school
20 districts by the state board and the provisions of sections
21 275.25 to 275.38 shall apply.]

22 Sec. 3. Section two hundred fifty-seven point twenty-five
23 (257.25), subsection twelve (12), Code 1975, is amended by
24 adding the following new unnumbered paragraph:

25 *NEW UNNUMBERED PARAGRAPH.* After notification of
removal
26 from the approved list, the board of directors shall seek
27 to merge the territory of the school district with one or
28 more contiguous school districts pursuant to the provisions
29 of chapter two hundred seventy-five (275) of the Code. If
30 on the date specified for removal from the approved list,
31 the district, or any portion of the district, has not been
32 merged with one or more contiguous school districts, the
33 portion that has not been merged shall be merged with one
34 or more contiguous school districts by the state board, and
35 the provisions of sections two hundred seventy-five point

1 twenty-five (275.25) through two hundred seventy-five point
2 thirty-eight (275.38) of the Code shall apply. Until the
3 merger is completed, the school district shall pay tuition
4 for its resident students to an approved school district under
5 the provisions of section two hundred seventy-nine point
6 eighteen (279.18) of the Code.

7 Sec. 4. Section two hundred seventy-three point two
8 (273.2), subsection four (4), Code 1975, is amended by striking
9 the subsection and inserting in lieu thereof the following:

10 4. Auxiliary services for nonpublic school pupils as
11 provided in section two hundred fifty-seven point twenty-six
12 (257.26) of the Code. However, if auxiliary services are
13 provided their funding shall be based on the type of service
14 so that auxiliary services which are special education support
15 services shall be funded as provided in sections two hundred
16 seventy-three point nine (273.9), subsection three (3), four
17 hundred forty-two point seven (442.7), subsection seven (7),
18 paragraphs c and d, and section four hundred forty-two point
19 eight (442.8) of the Code, auxiliary services which are media
20 services shall be funded as provided for media services for
21 public school pupils in section twenty-one (21) of this Act,
22 and other auxiliary services shall be funded as provided for
23 other services for public school pupils in section twenty-
24 one (21) of this Act.

25 Sec. 5. Section two hundred seventy-three point three
26 (273.3), subsections two (2) and seven (7), Code 1975, are
27 amended to read as follows:

28 2. Be authorized to receive and expend money for providing
29 programs and services as provided in sections 273.1 to 273.9
30 [and], chapter 281 *and chapter four hundred forty-two (442)*
31 *of the Code*. All costs incurred in providing the programs
32 and services, including administrative costs, shall be paid
33 from funds received pursuant to sections 273.1 to 273.9 and
34 chapters 281 and 442.

35 7. Be authorized, subject to the approval of the [department]

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36 state board

1 of public instruction, to lease, receive by gift and operate
2 and maintain such facilities and buildings as deemed necessary
3 to provide authorized programs and services. *However, the*
4 *state board*

5 *shall not approve the leasing or renting of*
6 *facilities or buildings until it is satisfied by investigation*
7 *that no school districts within the area have suitable*
8 *facilities available.*

9 Sec. 6. Section two hundred seventy-three point four
10 (273.4), Code 1975, is amended by adding the following new
11 subsection:

12 *NEW SUBSECTION.* Submit program plans each year to the
13 department of public instruction to reflect the needs of the
14 area education agency for media services as provided in section
15 two hundred seventy-three point six (273.6) of the Code.

16 Sec. 7. Section two hundred seventy-three point five
17 (273.5), subsection six (6), Code 1975, is amended to read
18 as follows:

19 6. Submit to the department of public instruction special
20 education instructional and support program plans and applica-
21 tions including those for new or expanded programs and ser-
22 vices, subject to criteria listed in chapter 281 *and this*
23 *chapter*, for approval by November [1] *first* of each year for
24 the school year commencing the following July [1] *first*.

25 Sec. 8. Section two hundred seventy-three point nine
26 (273.9), Code 1975, is amended by striking the section and
27 inserting in lieu thereof the following:

28 273.9 FUNDING.

29 1. For the school year beginning July 1, 1975, and each
30 succeeding school year, school districts shall pay for the
31 programs and services provided through the area education
32 agency and shall include expenditures for the programs and
33 services in their budgets, in accordance with the provisions
34 of this section.

35 2. School districts shall pay the costs of special educa-

36 tion instructional programs with the moneys available to the

1 districts for each child requiring special education, by
2 application of the special education weighting plan in section
3 two hundred eighty-one point nine (281.9) of the Code. Special
4 education instructional programs shall be provided at the
5 local level if practicable, or otherwise by contractual
6 arrangements with the area education agency board as provided
7 in section two hundred seventy-three point three (273.3),
8 subsection five (5) of the Code, but in each case the total
9 money available through section two hundred eighty-one point
10 nine (281.9) and chapter four hundred forty-two (442) of the
11 Code because of weighted enrollment for each child requiring
12 special education instruction shall be made available to the
13 district or agency which provides the special education
14 instructional program to the child, subject to adjustments
15 for transportation or other costs which may be paid by the
16 school district in which the child is enrolled. Each district
17 shall cooperate with its area education agency to provide
18 an appropriate special education instructional program for
19 each child who requires special education instruction, as
20 identified and counted within the certification by the area
21 director of special education or as identified by the area
22 director of special education subsequent to the certification,
23 and shall not provide a special education instructional program
24 to a child who has not been so identified and counted within
25 the certification or identified subsequent to the certifi-
26 cation.

27 3. The costs of special education support services provided
28 through the area education agency shall be funded by an
29 increase in the allowable growth of each school district,
30 determined as provided in section four hundred forty-two point
31 seven (442.7) of the Code. Special education support services
32 shall not be funded until the program plans submitted by the
33 special education directors of each area education agency
34 as required by section two hundred seventy-three point five
35 (273.5) of the Code are modified as necessary and approved

1 by the department of public instruction according to the
2 criteria and limitations of chapter two hundred eighty-one
3 (281) and section four hundred forty-two point seven (442.7)
4 of the Code.

5 4. The costs of media services provided through the area
6 education agency shall be funded as provided in section twenty-
7 one (21) of this Act. Media services shall not be funded
8 until the program plans submitted by the administrators of
9 each area education agency as required by section two hundred
10 seventy-three point four (273.4) of the Code are modified
11 as necessary and approved by the department of public
12 instruction according to the criteria and limitations of
13 section two hundred seventy-three point six (273.6) of the
14 Code and section twenty-one (21) of this Act.

15 5. The costs of other services provided through the area
16 education agency shall be funded within the limitations in
17 section twenty-one (21) of this Act. The department of public
18 instruction shall promulgate rules under chapter seventeen
19 A (17A) of the Code, as necessary to implement performance
20 of its approval duties under this section.

21 **Sec. 9. Chapter two hundred seventy-three (273), Code 1975,**
22 **is amended by adding the following new section:**

23 **NEW SECTION. MEDIA PRODUCTION.** The purchase or
24 **equipment or facilities for media production or reproduction**
25 **by an area education agency shall require the approval of the**
26 **state board of public instruction. However, the purchase**
27 **or lease of equipment for television production, television**
28 **transmission, or closed circuit television transmission by**
29 **an area education agency is prohibited. If the area educa-**
30 **tion agency wishes to use equipment for television production,**
31 **television transmission, or closed circuit television**
32 **transmission, the area education agency shall contract with**
33 **the state educational radio and television facility board.**

34 **Sec. 10. Chapter two hundred seventy-five (275), Code 1975,**
35 **is amended by adding the following new section:**

36 *NEW SECTION.* A school district which is enlarged, reor-
37 ganized, or changes its boundaries under the provisions of
38 sections two hundred seventy-five point twelve (275.12) through
39 two hundred seventy-five point twenty-three (275.23) of the
40 Code, shall not be allowed to file a petition under the pro-
41 visions of section two hundred seventy-five point twelve
42 (275.12) of the Code for a period of five years following
43 the effective date of the enlargement, reorganization or
44 boundary change unless further reorganization is approved
45 by the state board of public instruction.

46 **Sec. 11.** Section two hundred eighty-one point eleven
47 (281.11), unnumbered paragraph one (1), Code 1975, is amended
48 to read as follows:

1 Program plans submitted to the department of public in-
2 struction pursuant to section [273.4] *two hundred seventy-three*
3 *point five (273.5) of the Code* for approval shall establish
4 all of the following:

5 Sec. 12. Section three hundred twenty-one point one hun-
6 dred seventy-eight (321.178), subsection one (1), Code 1975,
7 is amended to read as follows:

8 321.178 DRIVER EDUCATION.

9 1. APPROVED COURSE. An approved driver education course
10 as programmed by the department of public instruction shall
11 consist of at least thirty clock hours of classroom instruc-
12 tion, and six or more clock hours of laboratory instruction
13 of which at least three clock hours shall consist of street
14 or highway driving.

15 [The state shall reimburse each public school district in
16 an amount not to exceed thirty dollars per student for each
17 student enrolled in and regularly attending an approved driver
18 education course offered or made available by the school dis-
19 trict.] Every public school district in Iowa shall offer or
20 make available to all students residing in the school district
21 an approved course in driver education. Said courses may
22 be offered at sites other than at the public school, including
23 nonpublic school facilities within the public school districts.
24 [The public school district offering said course in a nonpublic
25 school within the public school district shall be eligible
26 for the thirty dollar state reimbursement for each student
27 in the course regardless of the public school district in
28 which the student happens to reside.] An approved course
29 offered during the summer months, on Saturdays, after regular
30 school hours during the regular terms or partly in one term
31 or summer vacation period and partly in the succeeding term
32 or summer vacation period, as the case may be, shall satisfy
33 the requirements of this section to the same extent as an
34 approved course offered during the regular school hours of
35 the school term. A student who successfully completes and

1 obtains certification in an approved course in driver education
2 may, upon proof of such fact, be excused from any field test
3 which he would otherwise be required to take in demonstrating
4 his ability to operate a motor vehicle. [Funds for such
5 reimbursement shall be appropriated by the legislature to
6 a special driver education fund to be administered by the
7 department of public instruction. Four percent of the annual
8 amount allocated to the special driver education fund, shall
9 be available to the department of public instruction for use
10 in discharging the cost of administration of this section.]

11 Sec. 13. Section four hundred forty-two point one (442.1),
12 Code 1975, is amended to read as follows:

13 442.1 STATE SCHOOL FOUNDATION PROGRAM. This
chapter
14 establishes a state school foundation program. For each
15 school year, each school district in the state is entitled
16 to receive state school foundation aid, which shall be an
17 amount per pupil equal to the difference between the amount
18 per pupil of foundation property tax in the district, and
19 the state foundation base or the district cost per pupil,
20 whichever is less. However, if the amount so determined for
21 any district is less than two hundred dollars per pupil, the
22 district is entitled to receive not less than two hundred
23 dollars per pupil [except when a district's total general fund
24 tax rate is reduced to ninety percent or less of the district's
25 total general fund tax rate for the school year beginning
26 July 1, 1970. However, if this computation is made for the
27 school years beginning July 1, 1975, and July 1, 1976, the
28 general fund levy for each district for the school year which
29 began July 1, 1970, shall be determined by including the levy
30 certified by the county school system or joint county system
31 in which the district was located, for the school year which
32 began July 1, 1970. In this case the district is entitled
33 to receive only that portion of the two hundred dollars per
34 pupil necessary to retain that ten percent reduction.] *However*
35 *if the receipt of two hundred dollars by a school district*

1 *plus the money raised by the foundation property tax exceeds*
2 *the maximum allowed district cost for the budget year, the*
3 *district shall be entitled to receive in state foundation*
4 *aid an amount equal to the difference between the money raised*
5 *by the foundation property tax for the budget year and the*
6 *district cost for the budget year. In making computations*
7 **and payments under this chapter, except in the case of**
8 **computations relating to funding of special education**
9 **support services, media services and other services**
10 **provided through the area education agencies,**
11 **the state comptroller shall**
12 **round amounts to the nearest whole dollar.**

13 **Sec. 14. Section four hundred forty-two point four (442.4),**
14 **Code 1975, is amended by striking the section and inserting**
15 **in lieu thereof the following:**

16 **442.4 ENROLLMENT.**

17 **1. Basic enrollment for the budget year is determined**
18 **by adding the resident pupils who were enrolled on the second**
19 **Friday of January in the base year in public elementary and**
20 **secondary schools of the district and in public elementary**
21 **and secondary schools in another district or state for which**
22 **tuition is paid by the district. For the school year beginning**
23 **July 1, 1975, pupils who were enrolled on the second Friday**
24 **of January in the base year in special education programs**
25 **conducted by a county or joint county school system are**
26 **included in basic enrollment. For the school year beginning**
27 **July 1, 1975, and each succeeding school year, pupils enrolled**
28 **in prekindergarten programs other than special education**
29 **programs are not included in basic enrollment.**

30 **Resident pupils of high school age for which the district**
31 **pays tuition to attend an Iowa area school are included in**
32 **basic enrollment on a full-time equivalent basis as of the**
33 **second Friday of January in the base year.**

34 **Shared-time and part-time pupils of school age, irrespective**
35 **of the districts in which the pupils reside, are included**

36 in basic enrollment as of the second Friday of January in
37 the base year, in the proportion that the time for which they
38 are enrolled or receive instruction for the school year is
39 to the time that full-time pupils carrying a normal course

1 schedule, at the same grade level, in the same school district,
2 for the same school year, are enrolled and receive instruction.
3 Tuition charges to the parent or guardian of a shared-time
4 or part-time out-of-district pupil shall be reduced by the
5 amount of any increased state aid occasioned by the counting
6 of the pupil.

7 Pupils attending a university laboratory school are not
8 counted in any district's basic enrollment, but the labora-
9 tory school shall report them directly to the department of
10 public instruction.

11 A school district shall certify its basic enrollment to
12 the state department of public instruction by January twenty-
13 fifth of each year, and the department shall promptly forward
14 the information to the state comptroller. **For purposes of**
15 **determining whether a district is entitled to an advance**
16 **for increasing enrollment, and for record-keeping purposes,**
17 **a determination of enrollment shall be made on the second**
18 **Friday of September in the budget year, in the same manner**
19 **as the January basic enrollment is determined.**

20 However, for the school year beginning July 1, 1974, basic
21 enrollment is equal to the actual enrollment used for that
22 year prior to adjustment for decreasing enrollment.

23 2. If a district has a decreasing basic enrollment from
24 the base year to the budget year, the state comptroller shall
25 determine an adjusted enrollment for the district by adding
26 to the basic enrollment for the budget year an amount equal
27 to one hundred percent of the decrease to the extent that
28 the decrease is not more than two percent of the base year's
29 basic enrollment, and fifty percent of the remaining decrease.
30 The additional amount used in computing adjusted enrollment
31 in a base year is not used in computing adjusted enrollment
32 for a budget year.

33 If a district does not have a decreasing basic enrollment
34 from the base year to the budget year, its adjusted enroll-
35 ment for the budget year is the same as its basic enrollment

36 for the budget year.

37 3. Weighted enrollment is the adjusted enrollment as modi-
38 fied by application of the special education weighting plan
39 in section two hundred eighty-one point nine (281.9) of the
40 Code.

1 Sec. 15. Section four hundred forty-two point five (442.5),
2 subsection one (1), paragraph a, and subsection two (2), Code
3 1975, are amended to read as follows:

4 a. "Miscellaneous income" means all receipts deposited
5 to the general fund of a school district which are not obtained
6 from state aid provided under section 442.1 or 442.11 or from
7 property tax *authorized under section four hundred forty-two*
8 *point two (442.2) or four hundred forty-two point nine (442.9)*
9 *of the Code.*

10 2. The authorized expenditures during a school year may
11 not exceed the lesser of the budget for that year certified
12 under section 24.17 plus any allowable amendments permitted
13 in this section, or the *authorized budget, which is the sum*
14 *of the district cost for that year plus the actual mis-*
15 *cellaneous income received for that year plus the actual*
16 *unspent balance from the preceding year. If actual*
17 *miscellaneous income for a school year exceeds the anticipated*
18 *miscellaneous income in the certified budget for that year,*
19 *or if an unspent balance has not been previously certified,*
20 *a school district may amend its certified budget. [A school*
21 *district receiving voter approval to levy an income surtax*
22 *may include, in the expenditures of the year prior to actual*
23 *receipt of such funds, an estimation of the yield of the*
24 *surtax rate. Actual expenditures following the last effective*
25 *year of the approved surtax must be reduced by the amount*
26 *of such estimate.]*

27 Sec. 16. Section four hundred forty-two point seven
28 (442.7), Code 1975, is amended by striking the section and
29 inserting in lieu thereof the following:

30 442.7 STATE PERCENT OF GROWTH—ALLOWABLE
GROWTH.

31 1. For the school year beginning July 1, 1975, the state
32 percent of growth is ten and seven-tenths percent.

33 Seven-tenths of one percent of the state percent of
34 growth is to compensate for the cost of improvements to
35 the Iowa public employees' retirement system and also

36 to fund a portion of the cost of driver education
37 classes offered by the district and formerly funded
38 partly by a state appropriation.

39 2. For school years subsequent to the school year beginning
40 July 1, 1975, a state percent of growth for the budget year
41 shall be computed by the state comptroller prior to February

1 fifteenth of each year and forwarded to the superintendent
2 of public instruction. The state percent of growth shall
3 be an average of the following six percentages of growth:

4 a. The difference in the state general fund revenues
5 received during the year, adjusted for changes in rates or
6 basis, computed or estimated as a percentage of change for
7 each of the following periods:

8 (1) From the year immediately preceding the base year
9 to the base year.

10 (2) From the base year to the budget year.

11 b. The difference in the statewide assessed valuation
12 of real property adjusted for statewide changes in assessment
13 practices computed or estimated as a percentage of change
14 for each of the following periods:

15 (1) From January first of the year immediately preceding
16 the base year to January first of the base year.

17 (2) From January first of the base year to January first
18 of the budget year.

19 c. The difference in the Iowa consumer price index com-
20 puted by the state comptroller based upon a comprehensive
21 sampling of the costs of goods and services within Iowa, or
22 if an Iowa consumer price index is not available, the consumer
23 price index published by the bureau of labor statistics,
24 United States department of labor computed or estimated as
25 a percentage of change for the following periods:

26 (1) From July first of the base year to July first of
27 the budget year.

28 (2) From July first of the budget year to July first of
29 the year immediately following the budget year.

30 3. If the state percent of growth so computed is negative,
31 that percentage shall not be used and the state percent of
32 growth shall be zero.

33 4. Each year prior to February fifteenth the state
34 comptroller shall recompute the state percent of growth for
35 the previous year using adjusted estimates and the actual

1 figures available. The difference between the recomputed
2 state percent of growth for the base year and the original
3 computation shall be added to or subtracted from the state
4 percent of growth for the budget year, as applicable.

5 5. The state comptroller shall compute an estimated state
6 percent of growth for the budget year prior to September
7 fifteenth in the base year and shall forward this estimate
8 to the superintendent of public instruction.

9 6. The basic allowable growth per pupil for the budget
10 year shall be computed by multiplying the state cost per pupil
11 for the base year times the state percent of growth for the
12 budget year.

13 7. The allowable growth per pupil for each school district
14 is the basic allowable growth per pupil, for the budget year
15 modified as follows:

16 a. If the state cost per pupil in the base year exceeds
17 the district cost per pupil in the base year, the basic al-
18 lowable growth per pupil for the budget year is modified to
19 equal the lesser of one hundred twenty-five percent of the
20 basic allowable growth per pupil for the budget year or an
21 amount sufficient to equalize the district cost per pupil
22 in the budget year with the state cost per pupil in the budget
23 year.

24 b. By the school budget review committee under section
25 four hundred forty-two point thirteen (442.13) of the Code.

26 c. For the school year beginning July 1, 1975 only, by
27 adding to the basic allowable growth per pupil for the budget
28 year an amount to compensate for the costs of special educa-
29 tion support services provided through the area education
30 agency. The total amount for each area shall be based upon
31 the program plans submitted by the special education director
32 of the area education agency as required by section two hundred
33 seventy-three point five (273.5) of the Code, which shall
34 be modified as necessary and approved by the department of
35 public instruction according to the criteria and limitations.

1 of section two hundred seventy-three point five (273.5) and
2 chapter two hundred eighty-one (281) of the Code. The amount
3 of additional allowable growth per pupil for the budget year
4 for each district in an area shall be determined by dividing
5 the total amount for the area so determined by the weighted
6 enrollment of the area for the budget year.

7 d. For each year following the school year beginning July
8 1, 1975, by adding to the basic allowable growth an amount
9 to compensate for the additional costs of special education
10 support services provided through the area education agency.
11 The total amount for each area shall be based upon the amount
12 needed in the area to serve children newly identified as
13 requiring the services pursuant to plans submitted by the
14 special education director of the area education agency as
15 required by section two hundred seventy-three point five
16 (273.5) of the Code, which shall be modified as necessary
17 and approved by the department of public instruction according
18 to the criteria and limitations of section two hundred seventy-
19 three point five (273.5) and chapter two hundred eighty-one
20 (281) of the Code. The amount of additional allowable growth
21 per pupil for the budget year for each district in an area
22 shall be determined by dividing to total amount for the area
23 so determined by the weighted enrollment of the area for the
24 budget year.

25 e. For the additional allowable growth computed under
26 paragraphs c or d of this subsection, the department of public
27 instruction, in cooperation with the appropriate personnel
28 of the area education agency, shall determine the amounts
29 for each area education agency, as required and the state
30 comptroller shall calculate the amounts of additional allowable
31 growth for each district, and shall calculate the amounts
32 due from each district to its area education agency by
33 multiplying the additional allowable growth per pupil by the
34 weighted enrollment in the district for the budget year.
35 The state comptroller shall deduct the amounts so calculated

1 for each school district from the state aid due to the district
2 pursuant to chapter four hundred forty-two (442) of the Code,
3 and shall pay the amounts to the area education agencies on
4 a quarterly basis during each school year. The state
5 comptroller shall notify each school district of the amount
6 of state aid deducted for this purpose and the balance of
7 state aid will be paid to the district. If a district does
8 not qualify for state aid under chapter four hundred forty-
9 two (442) of the Code in an amount sufficient to cover its
10 amount due to the area education agency as calculated by the
11 state comptroller, the school district shall pay the deficiency
12 to the area education agency from other moneys received by
13 the district, on a quarterly basis during each school year.

14 Sec. 17. Section four hundred forty-two point eight
15 (442.8), Code 1975, is amended to read as follows:

16 442.8 STATE COST PER PUPIL. *As used in this chapter,*
17 *“state cost per pupil” for the school year beginning July*
18 *1, 1974, and prior school years means state cost per pupil*
19 *in enrollment as enrollment was determined under section four*
20 *hundred forty-two point five (442.5) of the Code prior to*
21 *January 1, 1975, and “state cost per pupil” for the school*
22 *year beginning July 1, 1975, and subsequent school years means*
23 *state cost per pupil in weighted enrollment. The state cost*
24 *per pupil for the school year beginning July 1, 1972, is nine*
25 *hundred three dollars. The state cost per pupil for the*
26 *school year beginning on July 1, 1973, and for each succeeding*
27 *school year is the [previous] base year’s state cost per pupil*
28 *plus the allowable growth for the budget year. If the state*
29 *percent of growth is zero [or less], the state cost per pupil*
30 *shall be the same as the [previous] base year’s state cost per*
31 *pupil.*

32 For the school year beginning July 1, 1975, the allowable
33 growth added to the state cost per pupil shall be the *basic*
34 allowable growth as otherwise computed under section 442.7,
35 increased by an amount equal to the average of the amounts

1 of allowable growth added for each school district in the
2 state for special education support services provided through
3 the area education agencies under [section] *sections 273.9,*
4 *subsection [4] three (3), and four hundred forty-two point seven*
5 *(442.7), subsection seven (7), paragraph c of the Code.* For
6 each succeeding school year, the allowable growth added to
7 the state cost per pupil as otherwise computed under section
8 442.7 shall be *the basic allowable growth* increased by an
9 amount equal to the average of the amounts of allowable growth
10 added for each school district in the state for additional
11 special education support services needed for that year to
12 serve newly identified children who require the services,
13 under [section] *sections 273.9, subsection [4] three (3), and*
14 *four hundred forty-two point seven (442.7), subsection seven*
15 *(7), paragraph d of the Code.* The state comptroller shall
16 compute the applicable amount of allowable growth to be added
17 to the state cost per pupil for each school year.

18 Sec. 18. Section four hundred forty-two point nine (442.9),
19 subsection one (1), paragraphs a and b, Code 1975, are amended
20 to read as follows:

21 a. *As used in this chapter, "district cost per pupil"*
22 *for the school year beginning July 1, 1974, and for prior*
23 *school years means the district cost per pupil in enrollment,*
24 *as enrollment was determined under section four hundred forty-*
25 *two point five (442.5) of the Code prior to January 1, 1975,*
26 *and "district cost per pupil" for the school year beginning*
27 *July 1, 1975, and subsequent school years means district cost*
28 *per pupil in weighted enrollment.* The district cost per pupil
29 for the budget year is equal to the district cost per pupil
30 for the base year plus the allowable growth. [However, in
31 determining the district cost per pupil for the budget year
32 beginning July 1, 1973, district cost per pupil in the base
33 year means the general fund budget for the school year
34 beginning July 1, 1971, as authorized and funded under Acts
35 of the Sixty-fourth General Assembly, chapter 72, including

1 additional approved funding authorized by the school budget
2 review committee, less the amount of adjusted miscellaneous
3 income including adjustments pursuant to section 442.25,
4 divided by the fall enrollment certified in September of 1971,
5 plus the allowable growth for the school year beginning July
6 1, 1972, as computed on the basis of state cost per pupil
7 excluding miscellaneous income. Also, in determining the
8 district cost per pupil for the budget year beginning July
9 1, 1975, the amount received by a school district under
10 sections 281.9 to 281.11, as state reimbursement for special
11 education costs for the school year beginning July 1, 1974,
12 shall be deducted.]

13 b. The district cost for the budget year is equal to the
14 district cost per pupil for the budget year multiplied by
15 the weighted enrollment, *plus the additional district cost*
16 *allocated to the district under section twenty-one (21) of*
17 *this Act to fund media services and other services provided*
18 *through the area education agency.* A school district may
19 not increase its district cost for the budget year except
20 to the extent that an excess tax levy is authorized by the
21 school budget review committee as provided in section 442.13,
22 subsection 7.

23 Sec. 19. Section four hundred forty-two point thirteen
24 (442.13), subsection four (4), Code 1975, is amended by
25 striking the subsection.

26 Sec. 20. Section four hundred forty-two point fourteen
27 (442.14), Code 1975, is amended by striking the section and
28 inserting in lieu thereof the following:

29 442.14 ADDITIONAL ENRICHMENT AMOUNT.

30 1. For the budget year beginning July 1, 1976, and each
31 succeeding school year, if a school board wishes to spend
32 more than the amount permitted under sections four hundred
33 forty-two point one (442.1) through four hundred forty-two
34 point thirteen (442.13) of the Code, and the school board
35 has not attempted by resolution to raise an additional

36 enrichment amount for that budget year,

37 the school board may

38 raise an additional enrichment amount not to exceed five

1 percent of the state cost per pupil multiplied by the adjusted
2 enrollment in the district, as provided in this section.
3 However, the additional enrichment amount may be used only
4 for educational research, curriculum development, or innovative
5 programs. The department of public instruction shall further
6 define these purposes by rule.

7 2. The board shall determine the additional enrichment
8 amount per pupil needed and shall pass a resolution stating
9 its determination to raise that amount under this section
10 and section four hundred forty-two point fifteen (442.15)
11 of the Code, and stating the number of qualified electors of
12 the school district necessary to petition for an election on
13 the question. The resolution shall be published at least twice
14 at one-week intervals in a newspaper with general circulation
15 in the district. The first publication shall appear prior
16 to November fifteenth in the base year.

17 If at any time within sixty days of the
18 first publication of the resolution a petition is filed with
19 the board signed by qualified electors of the school district
20 equal in number to twenty-five percent or more of those who voted
21 in the last preceding school election and requesting an
22 election on the question of whether the additional enrichment
23 amount shall be raised under this section and section four
24 hundred forty-two point fifteen (442.15) of the Code, the
25 school board shall direct the county commissioner of elections
26 to call a special election and submit the question, and the
27 board shall be bound by the results of the election.

28 3. The additional enrichment amount needed shall be raised
29 within the limits provided in this section by a combination
30 of an enrichment property tax and a school district income
31 surtax imposed in the proportion of a property tax of twenty-
32 seven cents per thousand dollars of assessed valuation of
33 taxable property in the district for each two and one-half
34 percent of income surtax.

35 4. If the amount of five percent of the state cost per

36 pupil multiplied by the adjusted enrollment of the district
37 cannot be raised in a district by a combination tax in the
38 prescribed proportion which does not exceed a property tax
39 of fifty-four cents per thousand dollars of assessed valuation.

1 and an income surtax of five percent, that district is entitled
2 to receive in enrichment state aid per pupil in adjusted
3 enrollment a maximum of the difference between the enrichment
4 amount which can be raised in the district by the maximum
5 combination tax in the prescribed proportion and the amount
6 of five percent of the state cost per pupil. However, if
7 the additional enrichment amount the district needs to raise
8 per pupil is a fraction of the maximum amount of five percent
9 of the state cost per pupil, the same fraction shall be
10 multiplied by fifty-four cents to determine the maximum
11 enrichment property tax in that district, and by five percent
12 to determine the maximum income surtax in that district, and
13 that district is entitled to receive in enrichment state aid
14 per pupil in adjusted enrollment the difference between the
15 enrichment amount which can be raised by its maximum
16 combination tax in the prescribed proportion and the additional
17 enrichment amount per pupil that it needs.

18 Sec. 21. Section four hundred forty-two point fifteen
19 (442.15), Code 1975, is amended by striking the section and
20 inserting in lieu thereof the following:

21 442.15 COMPUTATION OF ADDITIONAL ENRICHMENT
AMOUNT. If,
22 during a period of sixty days after publication of the first
23 notice of the board's determination to raise the additional
24 enrichment amount, no petition has been filed, or if a majority
25 of those voting in an election approves raising the additional
26 enrichment amount under section four hundred forty-two point
27 fourteen (442.14) of the Code and this section, the board
28 shall certify to the state comptroller that the required
29 procedures have been carried out, and that no petition was
30 filed or that the proposal was approved at the election, and
31 the state comptroller who shall establish the amount of
32 additional enrichment property tax to be levied, the amount
33 of school district income surtax to be imposed, and the amount
34 of enrichment state aid to which the district is entitled,
35 for each school year for which the additional enrichment

1 amount is authorized. The state comptroller shall determine
2 these amounts based upon the most recent figures available
3 for the district's valuation of taxable property, individual
4 state income tax paid, and adjusted enrollment in the district,
5 and shall certify to the district's county auditor the amount
6 of enrichment property tax, and to the director of revenue
7 the amount of school district income surtax to be imposed.

8 The amount required to pay enrichment state aid is
9 appropriated each year from the general fund of the state.

10 The school district income surtax shall be imposed on the
11 state individual income tax for the calendar year during which
12 the school's budget year begins, or for a taxpayer's fiscal
13 year ending during the second half of that calendar year or
14 the first half of the succeeding calendar year, and shall
15 be imposed on all individuals residing in the school district
16 on the last day of the applicable tax year. As used in this
17 section, "state individual income tax" means the tax computed
18 under section four hundred twenty-two point five (422.5) of
19 the Code, less the deductions allowed in section four hundred
20 twenty-two point twelve (422.12) of the Code.

21 An additional enrichment amount authorized under section
22 four hundred forty-two point fourteen (442.14) of the Code
23 or a lesser amount than the amount so authorized may be
24 continued as provided in this section for a period of five
25 school years. **If the amount authorized is less than the**
26 **maximum of five percent of the state cost per pupil and the**
27 **board wishes to increase the amount, it shall reestablish its**
28 **authority to do so in the manner provided in section four**
29 **hundred forty-two point fourteen (442.14) of the Code. If the**
30 **board wishes to continue any additional enrichment amount**
31 **beyond the five-year period, it shall reestablish its**
32 **authority to do so in the manner provided in section four**
33 **hundred forty-two point fourteen (442.14) of the Code within**
34 **the twelve-month period prior to termination of the five-year**
35 **period.**

- 36 Sec. 22. Chapter four hundred forty-two (442), Code 1975,
37 is amended by adding the following new **sections**:
38 *NEW SECTION. FUNDING MEDIA AND OTHER SER-*
VICES. Media
39 services and other services provided through the area educa-

1 tion agencies shall be funded, to the extent provided, by
2 an addition to the district cost of each school district,
3 determined as follows:

4 1. For the budget year beginning July 1, 1975, the total
5 amount funded in each area for media services shall be the
6 greater of an amount equal to the costs for media services
7 in the area in the base year times the sum of one hundred
8 percent plus the state percent of growth, or an amount equal
9 to five dollars times the enrollment served in the area in
10 the budget year. The costs for media services in the area
11 in the base year beginning July 1, 1974, shall be a propor-
12 tionate part of the **budgeted**

13 **expenditures by county school systems**
14 **and joint county systems formerly serving pupils in the area**
15 **based upon the enrollment served in that area in the base**
16 **year by each county school system and joint county system**
17 **compared to the total enrollment served by that county system**
18 **or joint county system.**

19 2. For each succeeding budget year, the total amount
20 funded in each area for media services shall be the total
21 amount funded in the area for media services in the base year
22 times the sum of one hundred percent plus the state percent
23 of growth.

24 3. However, the total amount funded in each area for media
25 services in any budget year shall not exceed an amount equal
26 to eight dollars times the enrollment served in the area in
27 the budget year.

28 4. For the budget year beginning July 1, 1975, the total
29 amount funded in each area for other services shall be an
30 amount equal to ten dollars times the enrollment served in
31 the area in the budget year.

32 5. For each succeeding budget year, the total amount
33 funded in each area for other services shall be the total
34 amount funded in the area for other services in the base year
35 times the sum of one hundred percent plus the state percent

36 of growth. Part of the amount funded for other services may

1 be used by the area education agencies for nonrecurring media
2 costs for the school year beginning July 1, 1975.

3 6. Of the total amounts funded in each area each year
4 for media services and other services, a portion shall be
5 allocated to each district in the area. The portion to be
6 allocated to each district in an area shall be the same
7 percentage of the total amount that the enrollment served
8 in the budget year in the district is of the enrollment served
9 in the budget year in the area.

10 7. The portion allocated to each district in an area each
11 budget year for media services and other services shall be
12 added to the district cost of that district for the budget
13 year as provided in section four hundred forty-two point nine
14 (442.9) of the Code.

15 8. The department of public instruction and the state
16 comptroller shall determine the total amounts funded in each
17 area for media services and other services each year, and
18 the amounts to be allocated to each district. The state
19 comptroller shall deduct the amounts so calculated for each
20 school district from the state aid due to the district pursuant
21 to this chapter and shall pay the amounts to the districts'
22 area education agencies on a quarterly basis during each
23 school year. The state comptroller shall notify each school
24 district the amount of state aid deducted for this purpose
25 and the balance which will be paid to the district. If a
26 district does not qualify for state aid under this chapter
27 in an amount sufficient to cover the amount due to its area
28 education agency as calculated by the state comptroller, the
29 school district shall pay the deficiency to its area education
30 agency from other moneys received by the district, on a
31 quarterly basis during each school year.

32 9. "Enrollment served" means the basic enrollment plus
33 the number of nonpublic school
34 pupils served with media services
35 or other services, as applicable, except that if a nonpublic

36 school

37 pupil receives services through an area other than the area

1 of the pupil's residence, the pupil shall be deemed to be
2 served by the area of his residence, which shall by contractual
3 arrangement reimburse the area through which the pupil actually
4 receives services. The number of nonpublic school
5 pupils served
6 shall be determined as of the second Friday of January.

7 **NEW SECTION. ADVANCE FOR INCREASING ENROLL-**
8 **MENT. If a**

9 **district's basic enrollment on the second Friday of**
10 **September in the budget year, determined in the same**
11 **manner as the January basic enrollment is determined under**
12 **section four hundred forty-two point four (442.4) of the**
13 **Code, is higher than its basic enrollment on the second**
14 **Friday of January in the base year, the district is**
15 **entitled to an advance from the state of an amount equal**
16 **to its district cost per pupil for the budget year multiplied**
17 **by its increase in basic enrollment. The advance shall be**
18 **miscellaneous income.**

19 **If a district receives an advance under this section**
20 **for a budget year, the state comptroller shall determine**
21 **the amount of the advance which would have been met by local**
22 **property tax revenues if the September basic enrollment**
23 **had been used for that budget year, shall reduce the**
24 **district's total state school aids available under this**
25 **chapter for the next following budget year by the amount so**
26 **determined, and shall increase the district's tax levy**
27 **computed under section four hundred forty-two point nine**
28 **(442.9) of the Code, for the next following budget year by**
29 **the amount necessary to compensate for the reduction in state**
30 **aid, so that the local property tax for the next following**
31 **year will be increased only by the amount which it would**
32 **have been increased in the budget year if the basic**
33 **September enrollment could have been used to establish the**
34 **levy.**

35 **There is appropriated each year from the general fund**
of the state the amount required to pay advances authorized

36 under this section, which shall be paid to school districts
37 in the same manner as other state aids are paid under
38 section four hundred forty-two point twenty-six (442.26)
39 of the Code.

40 Sec. 23. Notwithstanding the provisions of sections two
41 hundred eighty-one point nine (281.9) and two hundred eighty-
42 one point eleven (281.11) of the Code as those sections are
43 in effect prior to July 1, 1975, reimbursement shall not be
44 made to local school districts for the special education costs
45 for the school year beginning July 1, 1974, incurred for
46 programs provided for the school year beginning July 1, 1971,
47 or prior years, but reimbursement shall be made to local
48 school districts, for new and expanded programs for the school
49 year beginning July 1, 1974, beyond those programs provided
50 for the school year beginning July 1, 1971, and reimbursement
51 applied for by county boards of education and joint county
52 boards of education under those sections shall be made.

53 Sec. 24. Sections one (1) through twenty-three (23) of this
54 Act shall be retroactive to January 1, 1975 and take effect
55 for the 1975-1976 school year and succeeding school years.

56 Sec. 25. This Act, being deemed of immediate importance,
57 shall take effect and be in force from and after its publica-
58 tion in The Des Moines Register, a newspaper published in
59 Des Moines, Iowa, and in The Cedar Rapids Gazette, a news-
60 paper published in Cedar Rapids, Iowa.

HOUSE AMENDMENT TO SENATE AMENDMENT
TO HOUSE FILE 558

S-3813

1 Amend the House amendment S-3801 to Senate
2 amendment H-3720 to House File 558 as amended,
3 passed and reprinted by the House as follows:

4 1. Page 1, by inserting after line 27 the
5 following:

6 "_____. Page 2, by inserting after line 19
7 the following:

8 "_____. Page 9, by inserting after line 10
9 the following:

10 "Sec._____. Section four hundred forty-one
11 point twenty-one (441.21), unnumbered paragraph
12 four (4), Code 1975, is amended to read as
13 follows:

14 In assessing and determining the actual value
15 of agricultural property fifty percent consider-
16 ation shall be given to each of the following
17 factors:

18 a. The productivity and net earning capacity
19 determined on the basis of the use for agricultural
20 purposes capitalized at a rate representing a fair
21 return-on-the-investment- the average federal land
22 bank mortgage loan rate for agricultural property
23 for the previous year, such rate to be established
24 by the state board of tax-review director of
25 revenue and applied uniformly among counties
26 and among classes of property.

27 b. The fair and reasonable market value of
28 such property as defined herein, but such market
29 value shall be based only on its current use
30 and not on its potential value for other uses.

31 "Sec._____. Section four hundred forty-one
32 point forty-seven (441.47), Code 1975, is amended
33 to read as follows:

34 441.47 ADJUSTED VALUATIONS. The director of
35 revenue on or about the third Monday of September
36 in each year shall adjust the valuation of prop-
37 erty in the several counties adding to or deduct-
38 ing from the valuation of each kind or class of
39 property such percentage in each case as will bring
40 the same to its taxable value as fixed in this
41 chapter and chapters 427 to 443, inclusive. The
42 director shall also adjust the valuations as
43 between each kind or class of property in any city
44 assessed by a city assessor and each kind or class
45 of property in the same county assessed by the coun-
46 ty assessor. The director shall order the equal-
47 ization of the levels of assessment of each class
48 of property in the first and third year of the
49 quadrennial assessment period. The director shall,
50 when equalizing the level of assessments of agri-

1 cultural property in 1975 and thereafter, establish
2 a rate representing the average federal land bank
3 mortgage loan rate for agricultural property for
4 the previous year, and shall apply such rate to
5 adjust the level of assessment for agricultural
6 property to the level which would result if such
7 rate had been used to capitalize productivity and
8 net earning capacity in assessing and determining
9 the actual value of agricultural property in
10 accordance with section 441.21, unnumbered para-
11 graph four, Code 1975. For purposes of such value
12 adjustments and before such equalization the dir-
13 ector shall adopt, in the manner prescribed by
14 chapter 17A, such rules as may be necessary to
15 determine the level of assessment for each class
16 of property in each county. The rules shall cover:
17 (1) The proposed use of the assessment-sales
18 ratio study set out in section 421.17, subsection
19 6; (2) the proposed use of any state-wide income
20 capitalization studies; (3) the proposed use of
21 other methods that would assist the director in
22 arriving at the accurate level of assessment of
23 each class of property in each assessing juris-
24 isdiction."
25 2. Renumber the sections and correct internal
26 references in conformance with this amendment.

S-3813 FILED
MAY 14, 1975
RULED OUT OF ORDER (1377)

BY ROGER J. SHAFF

HOUSE AMENDMENT TO SENATE AMENDMENT
TO HOUSE FILE 558

S-3808

1 Amend the House amendment S-3801 to Senate
2 amendment H-3720 to House File 558 as amended,
3 passed and reprinted by the House as follows:

4 1. Page 1, by inserting after line 27 the
5 following:

6 "_____. Page 2, by inserting after line 19 the
7 following:

8 "_____. Page 9, by inserting after line 10 the
9 following:

10 "Sec._____. Section four hundred forty-one
11 point forty-eight (441.48), Code 1975, is amended
12 to read as follows:

13 441.48 NOTICE OF ADJUSTMENT. Before the dir-
14 ector of revenue shall adjust the valuation of any
15 kind or class of property any such percentage, the
16 director shall serve ten days' notice by mail, on
17 the assessor county auditor of the county whose
18 valuation is proposed to be adjusted and the dir-
19 ector shall hold an adjourned meeting after such
20 ten days' notice, at which time such assessor county
21 jurisdiction may appear by its assessor city council
22 or board of supervisors, city or county attorney,
23 or otherwise, and make written or oral protest
24 against such proposed adjustment, which protest
25 shall consist simply of a statement of the error,
26 or errors, complained of with such facts as may lead
27 to their correction, and at such adjourned meeting
28 final action may be taken in reference thereto.

29 Sec._____. Section four hundred forty-one point
30 forty-nine (441.49), Code 1975, is amended by strik-
31 ing the section and inserting in lieu thereof the
32 following:

33 441.49 ADJUSTMENT BY COUNTY AUDITOR. The director
34 shall keep a record of the review and adjustment
35 proceedings and finish such proceedings on or before
36 the third Monday of October. The director shall
37 notify each county auditor by mail of the final action
38 taken at the proceedings and specify any adjustments
39 in the valuations of any kind or class of property
40 to be made effective for the jurisdiction. The
41 county auditor shall thereupon add to or deduct from
42 the valuation of each kind or class of property in
43 his county the required percentage, rejecting all
44 fractions of fifty cents or less in the result, and
45 counting all fractions over fifty cents as one dollar.
46 In making the adjustments the assessor shall see to it
47 that in no case shall the market value of an individual
48 property exceed one hundred percent of its value deter-
49 mined in accordance with section four hundred forty-one
50 point twenty-one (441.21) of the Code. For the purposes

1 of this section, a taxpayer affected by the assess-
2 or's revaluation and reassessment shall have the
3 right to have the same reviewed in the manner pro-
4 vided for in sections four hundred forty-one point
5 thirty-seven (441.37), four hundred forty-one point
6 thirty-eight (441.38), and four hundred forty-one
7 point thirty-nine (441.39) of the Code, but such
8 review shall be limited only to the action taken by
9 the assessor for the current year, not for prior
10 years. The filer of a protest may do so within the
11 period of ten days before the reconvened session of
12 the board of review. The dates stipulated in section
13 four hundred forty-one point thirty-seven (441.37)
14 of the Code shall be changed to coincide with the
15 applicable dates of the reconvened board of review.
16 This change of dates shall be limited only to section
17 four hundred forty-one point forty-nine (441.49)
18 of the Code"

19 2. Page 1, by inserting after line 49 the
20 following:

21 "_____. Page 7, by inserting after line 20 the
22 following:

23 "_____. Amend the title, line 19, by inserting
24 before the word "providing" the words "providing
25 for changes in property valuation procedures,"".

26 3. Renumber the sections and correct inter-
27 nal references in conformance with this amendment.

S-3801

- 1 Amend the Senate Amendment (H-3720) to House
2 File 558 as amended, passed and reprinted by the
3 House as follows:
- 4 1. Page 1, by inserting after line 4 the following:
5 " . Page 4A, by inserting after line 24 the
6 following:
7 "Sec. . Section two hundred seventy-three point
8 two (273.2), unnumbered paragraph five (5), Code
9 1975, is amended to read as follows:
10 The board of directors of an area education
11 agency shall not establish programs and services
12 which duplicate programs and services which are or
13 may be provided by the area schools under the
14 provisions of chapter 280A. An area education agency,
15 shall contract, whenever practicable, with other
16 school corporations for the use of personnel,
17 buildings, facilities, supplies, equipment, programs,
18 and services.""
- 19 2. Page 1, by striking line 50.
20 3. Page 2, by striking lines 1 through 8.
21 4. Page 2, by striking lines 18 and 19. B
22 5. Page 2, by inserting after line 19 the
23 following:
24 " . Page 8, by inserting after line 20 the
25 following:
26 "or Iowa students attending a nonpublic school in
27 the district."
- 28 6. Page 3, by striking lines 5 through 12.
29 7. Page 3, by striking lines 33 through 45. c
30 8. Page 3, by striking lines 49 and 50. d
31 9. Page 4, by striking lines 1 through 21.
32 10. Page 5, by striking lines 14 through 25 and e
33 inserting in lieu thereof the following:
34 "receives services. For the budget year beginning
35 July 1, 1975, the total number of nonpublic pupils
36 served by each area education agency and the number of
37 nonpublic school pupils residing within each school
38 district in the area to be served by the area education
39 agency for media and other services shall be submitted
40 by the department of public instruction to the state
41 comptroller within one week after this Act is duly
42 published. For school years subsequent to the school
43 year beginning July 1, 1975, each school district shall
44 include in the second Friday in January enrollment
45 report the number of nonpublic school pupils within
46 each school district for media and other services
47 served by the area."
48 11. Page 6, by striking lines 7 through 50.
49 12. Page 7, by striking lines 1 through 13.
50 13. Renumber the sections and correct internal

Page 2

1 references in conformance with this amendment.

S-3801 FILED
MAY 13, 1975

RECEIVED FROM THE HOUSE

Senate concurred 5/14 (1379)

HOUSE FILE 558

S-3605

1 Amend House File 558 as amended, passed and reprinted
2 by the House, as follows:

- 3 1. Page 12A, line 32, by striking everything after the
DIV. A 4 word "ten" and inserting in lieu thereof a period.
DIV. B 5 2. Page 12A and 12B by striking lines 33 through 38.

S-3605 FILED DIV. A-LOST (1021) BY WILLIAM P. WINKELMAN
APRIL 23, 1975 DIV. B-WITHDRAWN RICHARD R. RAMSEY
(1020) DALE L. TIEDEN
RICHARD J. NORPEL, SR.
LOUIS P. CULVER
H.L. HEYING
CLIFTON C. LAMBORN

S-3601

1 Amend the Committee on Education amendment
2 S-3575, to House File 558, as amended, passed and
3 reprinted by the House, page 5, by inserting after
4 the period in line 42 the following: "For the pur-
5 pose of this subsection the district cost per pupil
6 shall not include the amount by which the district
7 cost of transportation per pupil exceeds the state-
8 wide average cost of transportation per pupil."

S-3601 FILED AND ADOPTED BY LUCAS J. DE KOSTER
APRIL 23, 1975 (1013) ROGER J. SHAFF
RICHARD R. RAMSEY

S-3602

1 Amend the Education Committee amendment S-3575
2 to House File 558 as amended, passed, and reprinted
3 by the House, page 4, line 5, by inserting after
4 the word "district" the following:
5 "; however, for the fiscal years 1976-77 and
6 1977-78 the foundation property tax of five dollars
7 and forty cents per thousand dollars shall be de-
8 creased each year by a percentage amount equal to
9 the percentage increase of the total property val-
10 uations in the state. The amount established in
11 1977-78 shall thereafter be the foundation prop-
12 erty tax".

S-3602 FILED AND LOST BY ROGER J. SHAFF
APRIL 23, 1975

S-3603

1 Amend House File 558 as amended, passed and
2 reprinted by the House, page 12A, line 32, by
3 striking the word "ten" and inserting in lieu thereof
4 the word "eight".

S-3603 FILED AND LOST (1026) BY CLIFTON C. LAMBORN
APRIL 23, 1975 ROGER J. SHAFF

S-3579

1 Amend House File 558, as amended, passed and
2 reprinted by the House, as follows:

3 1. Page 12A, line 5, by inserting after the word
4 "obtained" the words "from school transportation
5 aid,".

6 2. Page 16, line 28, by inserting after the
7 period the following:

8 "However, for the budget year beginning July 1,
9 1975, the state cost per pupil as otherwise com-
10 puted under this section shall be reduced by the
11 average cost per pupil in weighted enrollment in
12 the state for school transportation in the base
13 year, based upon authorized transportation costs
14 approved by the department of public instruction."

15 3. Page 24B, by inserting after line 39 the
16 following:

17 "NEW SECTION. 1. A "school transportation aid
18 fund" is established. There is appropriated to the
19 school transportation aid fund for each budget year
20 an amount to be determined by the state comptroller
21 as follows:

22 a. Multiply the average cost per pupil in
23 weighted enrollment in the state for school trans-
24 portation in the base year, based upon authorized
25 transportation costs approved by the department of
26 public instruction, by the percentage of the state
27 cost per pupil which determines the state foundation
28 base for the budget year, as provided in section
29 four hundred forty-two point three (442.3) of the
30 Code.

31 b. Multiply the product by the weighted enroll-
32 ment in the state for the budget year.

33 c. The final product is the amount appropriated.

34 2. The state comptroller shall allocate the
35 amount appropriated to the school transportation
36 aid fund for each budget year to each school district
37 in the state as follows:

38 a. Multiply each school district's cost per
39 pupil in weighted enrollment for school transporta-
40 tion in the base year, based upon authorized trans-
41 portation costs approved by the department of public
42 instruction, by the percentage of the state cost
43 per pupil which determines the state foundation
44 base for the budget year, as provided in section
45 four hundred forty-two point three (442.3) of the
46 Code.

47 b. Multiply the product by the weighted enroll-
48 ment in the district for the budget year.

49 c. The final product is the amount allocated
50 to each district for school transportation aid.

S-3579
Page 2

1 3. A school district required by chapter two
2 hundred eighty-five (285) of the Code to provide
3 transportation to pupils is entitled to school
4 transportation aid as provided in this section.
5 However, no transportation aid shall be paid to
6 school districts to cover costs incurred in trans-
7 porting pupils from home to a bus route, or in
8 transporting pupils not entitled to free trans-
9 portation but who are transported at the expense
10 of the home district or the parents. The secretary
11 of each district shall, on or before the first day
12 of July of each year, report to the state depart-
13 ment of public instruction on blanks furnished by
14 the department, the information it requires for
15 determining the amount of the district's trans-
16 portation cost per pupil in the base year. The
17 department may require further supporting data and
18 information, and shall certify the proper amount
19 for each district to the state comptroller. The
20 state comptroller shall draw warrants and deliver
21 them to the districts, as provided in section four
22 hundred forty-two point twenty-six (442.26) of the
23 Code."

24 4. Amend the title, line 22, by inserting after
25 the comma the words "and a new method for funding
26 transportation costs,".

S-3579 FILED - *Loat 4/23(1979)* BY WILLIAM P. WINKELMAN
APRIL 21, 1975 RAY TAYLOR
DALE L. TIEDEN
C. JOSEPH COLEMAN
BERL E. PRIEBE

S-3576

1 Amend the Senate Committee on Education amend-
2 ment, S-3575, to House File 558, as amended,
3 passed and reprinted by the House, as follows:
4 1. Page 1, by inserting after line 41 the
5 following:
6 " . Page 7A, line 7, by striking the words
7 "one (21)" and inserting in lieu thereof the words
8 "two (22)"."
9 2. Page 3, by inserting after line 31 the
10 following:
11 " . Page 9, line 4, by striking the word
12 "abaillity" and inserting in lieu thereof the
13 word "ability".
14 3. By renumbering the remaining items of the
15 amendment in accordance with this amendment.

S-3576 FILED - *Adopted 4/23* BY JOAN ORR
APRIL 21, 1975 *(1975)*

S-3575

1 Amend House File 558 as amended, passed, and
2 reprinted by the house as follows:

3 1. Page 4A, by striking lines 14 through 24 and B
4 inserting in lieu thereof the word "provided."

5 2. Page 5A, line 7, by striking the words "school
6 districts" and inserting in lieu thereof the words A
7 "public school corporations".

8 3. Page 5A, by inserting after line 8 the
9 following:

10 "Sec. ____ . Section two hundred seventy-three point
11 three (273.3), Code 1975, is amended by adding the
12 following new subsection:

13 NEW SUBSECTION. Be authorized, subject to the C
14 approval of the department of public instruction,
15 to acquire by retransfer from the county board of
16 education of a county school system, within one year
17 from the effective date of this Act, at a cost not
18 to exceed one thousand dollars, any land formerly
19 held by the United State department of health,
20 education, and welfare."

21 4. Page 5A, by inserting after line 24 the
22 following:

23 "For the school years subsequent to the school
24 year beginning July 1, 1975, the director shall include
25 in the program plans submitted to the department for Z
26 support services the costs necessary to fund the newly
27 identified nonpublic school pupils served by the area
28 with support services not previously counted in the
29 program plans for support services."

30 5. Page 5A, by inserting before line 25 the
31 following section:

32 "Sec. ____ . Section two hundred seventy-three point
33 eight (273.8), subsection two (2), unnumbered paragraph
34 five (5), Code 1975, is amended to read as follows:

35 Vacancies, as defined in section 277.29, in the J
36 membership of the area education agency board shall
37 be filled for the unexpired portion of the term by
38 ~~the board of the school district in which the member~~
39 resided at a special director district convention
40 called and conducted in the manner provided in this
41 subsection for regular director district conventions."

42 6. Page 7A, line 14, by striking the words "twenty-
43 one (21)" and inserting in lieu thereof the words
44 "twenty-two (22)".

45 7. Page 7A, line 17, by striking the words "twenty- A
46 one (21)" and inserting in lieu thereof the words
47 "twenty-two (22)".

48 8. Page 7A, by striking lines 23 through 33 and
49 inserting in lieu thereof the following: H

50 "NEW SECTION. PROHIBITED DUPLICATION OF SERVICES.

1 The area education agency shall not provide programs
2 and services which duplicate the services provided
3 by the state educational radio and television facility
4 board as provided in sections eighteen point one
5 hundred thirty-two (18.132) through eighteen point
6 one hundred fifty-three (18.153) of the Code."

7 9. Page 7A, line 35, by striking the word "section"
8 and inserting in lieu thereof the word "sections".

9 10. Page 7A, by inserting after line 35 the
10 following:

11 "NEW SECTION. COMMISSION TO STUDY ORGANIZATION
12 OF SCHOOL DISTRICTS. A commission is established
13 to study the organization of school districts in the
14 state of Iowa. The membership on the commission shall
15 be as follows:

16 1. The superintendent of public instruction.

17 2. A member of the school budget review committee
18 other than the superintendent of public instruction
19 elected by the members of the committee.

20 3. Ten members appointed by the governor with
21 the approval of two-thirds of the members of the
22 senate. The ten members shall include:

23 a. Six lay persons not otherwise in the field
24 of education no more than three of whom may be
25 appointed from one political party.

26 b. Two members appointed from a list of nine
27 names, of which three names each shall be submitted
28 by the Iowa association of school administrators,
29 the Iowa association of secondary school principals,
30 and the Iowa association of elementary school
31 principals.

32 c. Two members appointed from a list of six names,
33 of which four names shall be submitted by the Iowa
34 state education association and two named shall be
35 submitted by the Iowa federation of teachers.

36 NEW SECTION. PURPOSE, POWERS AND AUTHORITIES.
37 The commission shall:

38 1. Develop criteria and guidelines for combinations
39 of school districts and realignments of school district
40 boundaries in Iowa which will provide the optimum
41 in educational opportunity for students in the affected
42 areas.

43 2. Conduct a study of specific school districts
44 which fail to satisfy these criteria and prepare and
45 submit a final report to the Sixty-seventh General
46 Assembly, 1977 Session, which contains specific
47 recommendations for the organization and restructuring
48 of the school districts to insure for each student
49 in Iowa attending the public elementary and secondary
50 school system in the state, the opportunity for a

1 quality education through an efficiently administered
2 public school system.

3 NEW SECTION. The commission shall begin its study
4 as soon as possible, and shall be staffed, to meet
5 its needs, by the department of public instruction.
6 An opportunity shall be provided for local districts
7 under review to express their preference for
8 combination with other districts in order to effectuate
9 the goal established for the commission. The
10 commission shall have access to all official records,
11 may subpoena witnesses and compel production of books,
12 papers or other documents pertaining to its
13 investigation and study.

14 NEW SECTION. Members of the commission shall be
15 reimbursed for their actual and necessary expenses
16 incurred by them in the discharge of their duties
17 from funds appropriated to the department of public
18 instruction."

19 11. Page 7B, line 42, by inserting after the word
20 "Code" the following:

21 "for the purpose of reducing the area served or
22 changing the boundaries to exclude areas encompassed
23 by the enlargement, reorganization or boundary
24 changes".

25 12. Page 7B, line 44, by striking the words
26 "further reorganization" and inserting in lieu thereof
27 the words "such action".

28 13. Page 8, by inserting after line 20 the
29 following:

30 "or Iowa students attending a nonpublic school
31 in the district".

32 14. Page 9 by striking lines 20 through 23 and
33 inserting in lieu thereof the following:

34 "~~whichever is less. However, if the amount so~~
35 ~~determined for any district is less than two hundred~~
36 ~~dollars per pupil, the district is entitled to receive~~
37 ~~not less than two hundred dollars per pupil except~~
38 ~~when a district's total general fund".~~

39 15. Page 9 by striking lines 34 and 35 and
40 inserting in lieu thereof the following:

41 "~~pupil necessary to retain that ten percent~~
42 ~~reduction."~~

43 16. Page 10A by striking lines 1 through 5 and
44 line 6, by striking the words "district cost for the
45 budget year."

46 17. Page 10A, by inserting after line 12 the
47 following:

48 "Sec. ____ . Section four hundred forty-two point
49 two (442.2), unnumbered paragraph one (1), Code 1975,
50 is amended to read as follows:

1 Each school district shall cause to be levied each
2 year, for the school general fund, a foundation
3 property tax of five dollars and forty cents per
4 thousand dollars of assessed valuation on all taxable
5 property in the district. If the money raised by
6 the foundation property tax alone exceeds the maximum
7 allowed district cost for the budget year, the district
8 shall pay the excess amount to the state general fund.
9 For the purpose of this chapter, a school district
10 is defined as a school corporation organized under
11 chapter 274. Each county auditor shall certify to
12 each school district within the county and to the
13 state comptroller, not later than October 1 each year,
14 the assessed valuation of taxable property for the
15 current year in each school district within the county.

16 18. Page 11A and 11B by striking lines 23 through
17 36 and inserting in lieu thereof the following:
18 "2. An adjusted enrollment for each district shall
19 be computed as follows:
20 a. For the school year beginning July 1, 1975,
21 if a district has a decrease from the sum of the basic
22 enrollment in the base year plus adjustments for
23 decreasing enrollment made in the base year, to the
24 basic enrollment in the budget year, the state
25 comptroller shall compute an amount to be added to
26 the basic enrollment for the budget year. The amount
27 to be added is equal to fifty percent of this decrease,
28 to the extent that the decrease does not exceed five
29 percent of the sum of the basic enrollment in the
30 base year plus adjustments made for decreasing
31 enrollment in the base year, and twenty-five percent
32 of the remaining decrease. If the district does not
33 experience this decrease, the adjusted enrollment
34 for the budget year is equal to the basic enrollment
35 for the budget year.
36 b. For the school years subsequent to the school
37 year beginning July 1, 1975, if a district has a
38 decrease from the basic enrollment in the base year
39 to the basic enrollment in the budget year the state
40 comptroller shall compute an amount to be added to
41 the basic enrollment for the budget year. The amount
42 to be added is equal to fifty percent of the basic
43 enrollment decrease to the extent that it does not
44 exceed five percent of the base years basic enrollment,
45 and twenty-five percent of the remaining basic
46 enrollment decrease. If the school district does
47 not experience a decrease from the basic enrollment
48 in the base year to the basic enrollment in the budget
49 year the adjusted enrollment for the budget year is
50 equal to the basic enrollment for the budget year."

1 19. Page 13, by striking lines 19 through 25 and
 2 inserting in lieu thereof the following:
 3 "c. The difference in the Iowa consumer price
 4 index which shall be computed by the state comptroller
 5 prior to January 1, 1976, and recomputed each month
 6 subsequent to January 1, 1976, based upon a
 7 comprehensive sampling of the costs of goods and
 8 services within Iowa, and until an Iowa consumer price
 9 index is available, the consumer price index published
 10 by the bureau of labor statistics, United States
 11 department of labor computed or estimated as a
 12 percentage of change for the following periods:"

13 20. Page 15, line 22, by striking the word "to"
 14 and inserting in lieu thereof the word "the".

15 21. Page 16, line 20, by striking the words "five
 16 (442.5)" and inserting in lieu thereof the words "four
 17 (442.4)".

18 22. Page 17, line 25, by striking the words "five
 19 (442.5)" and inserting in lieu thereof the words "four
 20 (442.4)".

21 23. Page 18A, line 16, by striking the words
 22 "twenty-one (21)" and inserting in lieu thereof the
 23 words "twenty-two (22)".

24 24. Page 18A by striking lines 23 through 25 and
 25 inserting in lieu thereof the following:

26 "Sec. . . . Section four hundred forty-two point
 27 thirteen (442.13), subsection four (4), Code 1975,
 28 is amended to read as follows:

29 4. If the district cost per pupil exceeds one
 30 hundred ten percent of the state cost per pupil, the
 31 committee shall establish a modified allowable growth
 32 by reducing the allowable growth, subject to the
 33 minimum for the school years beginning July 1, 1974,
 34 and July 1, 1975, as provided in section 442.7. In
 35 making decisions under this subsection, the committee
 36 shall permit allowable growth to the extent necessary
 37 to prevent severe hardship to a district whose district
 38 cost per pupil would-not-have-exceeded exceeds one
 39 hundred ten percent of the state cost per pupil if
 40 miscellaneous-income-were-included-in-computations
 41 under-this-chapter-to-the-same-extent-that-it-was
 42 included-for-the-school-year-beginning-July-1-1972."

43 25. Page 18A and 18B by striking lines 26 through
 44 38.

45 26. Page 19A and 19B by striking lines 1 through
 46 38 and page 19B by striking line 30.

47 27. Page 20 by striking lines 1 through 35.

48 28. Page 21A by striking lines 1 through 35.

49 29. Page 24A, by striking lines 4 through 6 and
 50 inserting in lieu thereof the following:

1 "receives services. For the school year beginning
2 July 1, 1975, the number of nonpublic school pupils
3 served for the purposes of computation under this
4 section for media and other services is equal to the
5 difference between the weighted enrollment for the
6 budget year in the district and the basic enrollment
7 for the budget year in the district. For school years
8 subsequent to the school year beginning July 1, 1975,
9 each school district shall include in the second
10 Friday in January enrollment report the number of
11 nonpublic school pupils within each district for media
12 and other services served by the area."

13 30. Page 24A, line 8, by striking the word "basic"
14 and inserting in lieu thereof the word "weighted".

15 31. Page 24A, line 10, by striking the word "basic"
16 and inserting in lieu thereof the word "weighted".

17 32. Page 24A, line 12, by striking the word "basic"
18 and inserting in lieu thereof the word "weighted".

19 33. Page 24A, line 15, by inserting after the
20 word "pupil" the words "less the amount per pupil
21 for special education support services, media services
22 and other services computed as a part of district
23 cost under the provisions of section four hundred
24 forty-two point seven (442.7) of the Code and section
25 twenty-two (22) of this Act".

26 34. Page 24A, line 16, by striking the word "basic"
27 and inserting in lieu thereof the word "weighted".

28 35. Page 24A, line 21, by striking the words
29 "basic enrollment" and inserting in lieu thereof the
30 words "weighted enrollment".

31 36. Page 24A, line 22, by inserting after the
32 word "year" the following:

33 " , less the amount of the adjustment to the district
34 cost for increases in the weighted enrollment made
35 in the first unnumbered paragraph in this section".

36 37. Page 24A, lines 31 and 32, by striking the
37 words "basic September enrollment" and inserting in
38 lieu thereof the words "September weighted enrollment".

39 38. Page 24A, line 33, by inserting after the
40 word "levy" the following:

41 "less the amount of the adjustment to the district
42 cost for increases in the weighted enrollment made
43 in the first unnumbered paragraph in this section".

44 39. Page 24B, by inserting after line 52 the
45 following:

46 "Sec. . SUPPORT COSTS FOR SPECIAL EDUCATION
47 SERVICES FOR NONPUBLIC SCHOOL PUPILS SERVED. For
48 the school year beginning July 1, 1975, only, if an
49 area education agency has not incorporated within
50 the program plans for special education support

1 services submitted for approval to the department
2 of public instruction under the provisions of sections
3 two hundred seventy-three point five (273.5), two
4 hundred seventy-three point nine (273.9) and four
5 hundred forty-two point seven (442.7) of the Code,
6 the total number of nonpublic school pupils it will
7 serve it may raise an amount to meet the costs for
8 these pupils as follows:

9 1. Determine the total number of nonpublic school
10 pupils in the area that were not included in the
11 original program plans for special education support
12 services submitted to the department of public
13 instruction that the agency will serve.

14 2. The total amount to be raised is equal to the
15 number determined in subsection one (1) of this section
16 times the amount obtained for the area to be added
17 to allowable growth per weighted pupil under the
18 provisions of section four hundred forty-two point
19 seven (442.7), subsection seven (7), paragraph c of
20 the Code.

21 3. The state comptroller shall calculate the
22 amounts due from each district to its area education
23 agency by multiplying the total amount determined
24 in subsection two (2) of this section by the fraction
25 that the total number of weighted pupils in the
26 district for the budget year is of the total number
27 of weighted pupils in the area for the budget year.

28 4. The district, to raise the additional amount,
29 shall add to its district cost for the school year
30 beginning July 1, 1975, the amount determined under
31 subsection three (3) of this section, which amount
32 shall be deducted from its district cost for the
33 budget year beginning July 1, 1976. The state
34 comptroller shall deduct the amounts calculated under
35 this subsection for each school district from the
36 state aid due to the district pursuant to chapter
37 four hundred forty-two (442) of the Code, and shall
38 pay the amounts to the area education agencies on
39 a quarterly basis during each school year. The state
40 comptroller shall notify each school district of the
41 amount of state aid deducted for this purpose and
42 the balance of state aid will be paid to the district.
43 If a district does not qualify for state aid under
44 chapter four hundred forty-two (442) of the Code in
45 an amount sufficient to cover its amount due to the
46 area education agency as calculated by the state
47 comptroller under this section, the school district
48 shall pay the deficiency to the area education agency
49 from funds received by the district, on a quarterly
50 basis during each school year."

1 40. Page 24B by inserting before line 53 the
2 following:
3 "Sec. ____ Sections four hundred forty-two point
4 fourteen (442.14) through four hundred forty-two point
5 twenty (442.20), Code 1975, are repealed."

6 41. Page 24B, by striking lines 53 and 54 and
7 inserting in lieu thereof the following:

8 "Sec. ____ All sections of this Act except the
9 section amending section three hundred twenty-one
10 point one hundred seventy-eight (321.178) of the Code,
11 shall be retroactive to January 1, 1975, and take
12 effect".

13 42. Renumber sections and correct internal
14 references in conformance with this amendment.

15 43. Amend the title, line 8, by inserting after
16 the word "conditions" the words "and requiring a study
17 of the organization of school districts".

18 44. Amend the title, line 9, by striking the word
19 "modifying" and inserting in lieu thereof the word
20 "eliminating".

21 45. Amend the title, line 10, by inserting after
22 the word "aid" the words ", providing for payment
23 of the excess foundation property tax to the state
24 general fund".

25 46. Amend the title, by striking lines 17 through
26 19 and inserting in lieu thereof the words "allowable
27 growth, providing new methods for deter-".

28 47. Amend the title, line 25, by inserting after
29 the word "systems" the words ", providing certain
30 special education support funds in addition to the
31 programed and approved costs".

32 48. Amend the title, line 25, by inserting after
33 the word "references" the words ", repealing the
34 present school district income surtax".

S-3575 FILED *a, B adopted* BY COMMITTEE ON EDUCATION
APRIL 21, 1975 *4/22 (1050)* JOAN ORR, CHAIRMAN

c, D, E - adopted 4/22 (1051)
G, H, I - adopted 4/22 (1052)
J - L - adopted 4/22 (1053)
(Orr)

HOUSE FILE 558

S-3584

1 Amend the Education Committee amendment S-3575 to
2 House File 558 as amended, passed, and reprinted by
3 the House, page 4, by striking from line 3 the
4 words "and forty cents" and inserting in lieu
5 thereof the following: "and--forty-cents".

S-3584 FILED *-w. D. (4/23 (1070))* BY ROGER J. SHAFF
APRIL 22, 1975

S-3578

1 Amend House File 558, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 12B, by striking line 41 and inserting
4 in lieu thereof the words "shall be established
5 by the general assembly."
6 2. Page 13, by striking lines 1 through 35.
7 3. Page 14, by striking lines 1 through 8 and
8 inserting in lieu thereof the words "If the general
9 assembly does not act to establish the state percent
10 of growth for a budget year, the state percent of
11 growth for the budget year is the state percent of
12 growth established by the general assembly for the
13 base year."
14 4. Page 14, by renumbering subsections as
15 necessary.

S-3578 FILED - *H.D.* BY EUGENE M. HILL
APRIL 21, 1975 ^{4/23} (₁₀₈₁)

S-3581

1 Amend House File 558, as amended, passed and
2 reprinted by the House, as follows:
3 1. Page 8, by striking lines 5 through 35.
4 2. Page 9, by striking lines 1 through 10.
5 3. Page 12A, line 32, by striking the words
6 "and seven-tenths percent" and inserting in lieu
7 thereof the following:
8 "plus four-tenths of one percent to be used
9 to fund improvements to the Iowa public employees'
10 retirement system".
11 4. Pages 12A and 12B, by striking lines 33
12 through 38.
13 5. Renumber the sections and correct internal
14 references in conformance with this amendment.

S-3581 FILED - *Adopted 4/23(1076)* BY
APRIL 22, 1975

WILLIAM P. WINKELMAN
FORREST V. SCHWENGELS
BERL E. PRIEBE
DALE L. TIEDEN
LOUIS P. CULVER
RICHARD J. NORPEL, SR.
CLIFTON C. LAMBORN

S-3596

1 Amend the Senate Committee on Education amendment
2 S-3575 to House File 558, as amended, passed and re-
3 printed by the House, as follows:

4 1. Page 5, by striking lines 43 through 48 and
5 inserting in lieu thereof the following:

6 "____. Page 19A, line 4, by inserting after the
7 word "curriculum" the words "maintenance or".

8 _____. Page 19A, lines 5 and 6, by striking the
9 words "The department of public instruction shall
10 further define these purposes by rule."

11 _____. Page 19A, by striking lines 8 through 27
12 and inserting in lieu thereof the following:

13 "amount per pupil needed, within the limits of
14 this section, and shall direct the county commis-
15 sioner of elections to submit the question of
16 whether to raise that amount under the provisions
17 of this section and section four hundred forty-two
18 point fifteen (442.15) of the Code, to the qualified
19 electors of the school district at a regular or
20 special school election held not later than February
21 fifteenth of the base year. If a majority of those
22 voting favors raising the enrichment amount, the
23 board may include the approved amount in its
24 certified budget."

25 _____. Page 19A, by striking line 35, and by
26 striking page 19B and lines 1 through 17 on page
27 20, and inserting in lieu thereof the following:

28 "4. The additional enrichment amount for a
29 district is limited to the amount which may be
30 raised by a combination tax in the prescribed
31 proportion which does not exceed a property tax
32 of fifty-four cents per thousand dollars of
33 assessed valuation and an income surtax of five
34 percent."

35 _____. Page 20, by striking lines 21 through 24
36 and inserting in lieu thereof the following:

37 "442.15 COMPUTATION OF ENRICHMENT AMOUNT. If
38 a majority".

39 _____. Page 20, by striking lines 29 through 34
40 and inserting in lieu thereof the following:

41 "procedures have been carried out, and the state
42 comptroller shall establish the amount of additional
43 enrichment property tax to be levied and the amount
44 of school district income surtax to be imposed".

45 _____. Page 21A, by striking lines 8 and 9."

46 2. Page 8, by striking lines 1 through 5.

47 3. Page 8, by striking lines 25 through 27.

48 4. Page 8, by striking lines 32 through 34.

S-3596 FILED - *Adopted 4/23*
APRIL 22, 1975 (1074)

BY RAY TAYLOR
LOWELL L. JUNKINS
CLIFTON C. LAMBORN
RICHARD R. RAMSEY
WARREN E. CURTIS
C. JOSEPH COLEMAN
HILARIUS L. HEYING

S-3564

- 1 Amend House File 558 as amended, passed, and
 2 reprinted by the house as follows:
- 3 1. Page 4A, by striking lines 14 through 24 and
 4 inserting in lieu thereof the words "provided".
- 5 2. Page 5A, line 7, by striking the words "school
 6 districts" and inserting in lieu thereof the words
 7 "public school corporations".
- 8 3. Page 5A, by inserting after line 8 the
 9 following:
- 10 "Sec. ____ . Section two hundred seventy-three point
 11 three (273.3), Code 1975, is amended by adding the
 12 following new subsection:
- 13 NEW SUBSECTION. Be authorized, subject to the
 14 approval of the department of public instruction,
 15 to acquire by retransfer from the county board of
 16 education of a county school system, within one year
 17 from the effective date of this Act, at a cost not
 18 to exceed one thousand dollars, any land formerly
 19 held by the United State department of health,
 20 education, and welfare."
- 21 4. Page 5A, by inserting after line 24 the
 22 following:
- 23 4. Page 5A, by inserting after line 24 the
 24 following following:
- 25 "For the school years subsequent to the school
 26 year beginning July 1, 1975, the director shall include
 27 in the program plans submitted to the department for
 28 support services the costs necessary to fund the newly
 29 identified nonpublic school pupils served by the area
 30 with support services not previously counted in the
 31 program plans for support services."
- 32 5. Page 5A, by inserting before line 25 the
 33 following section:
- 34 "Sec. ____ . Section two hundred seventy-three point
 35 eight (273.8), subsection two (2), unnumbered paragraph
 36 five (5), Code 1975, is amended to read as follows:
- 37 Vacancies, as defined in section 277.29, in the
 38 membership of the area education agency board shall
 39 be filled for the unexpired portion of the term by
 40 ~~the-board-of-the-school-district-in-which-the-member~~
 41 resided at a special director district convention
 42 called and conducted in the manner provided in this
 43 subsection for regular director district conventions."
- 44 6. Page 7A, line 14, by striking the words "twenty-
 45 one (21)" and inserting in lieu thereof the words
 46 "twenty-two (22)".
- 47 7. Page 7A, line 17, by striking the words "twenty-
 48 one (21)" and inserting in lieu thereof the words
 49 "twenty-two (22)".
- 50 8. Page 7A, by striking lines 23 through 33 and

1 inserting in lieu thereof the following:

2 "NEW SECTION. PROHIBITED DUPLICATION OF SERVICES.

3 The area education agency shall not provide programs
4 and services which duplicate the services provided
5 by the state educational radio and television facility
6 board as provided in sections eighteen point one
7 hundred thirty-two (18.132) through eighteen point
8 one hundred fifty-three (18.153) of the Code."

9 9. Page 7A, line 35, by striking the word "section"
10 and inserting in lieu thereof the word "sections".

11 10. Page 7A, by inserting after line 35 the
12 following:

13 "NEW SECTION. COMMISSION TO STUDY ORGANIZATION
14 OF SCHOOL DISTRICTS. A commission is established
15 to study the organization of school districts in the
16 state of Iowa. The membership on the commission shall
17 be as follows:

18 1. The superintendent of public instruction.

19 2. A member of the school budget review committee
20 other than the superintendent of public instruction
21 elected by the members of the committee.

22 3. Ten members appointed by the governor with
23 the approval of two-thirds of the members of the
24 senate. The ten members shall include:

25 a. Six lay persons not otherwise in the field
26 of education no more than three of whom may be
27 appointed from one political party.

28 b. Two members appointed from a list of nine
29 names, of which three names each shall be submitted
30 by the Iowa association of school administrators,
31 the Iowa association of secondary school principals,
32 and the Iowa association of elementary school
33 principals.

34 c. Two members appointed from a list of six names,
35 of which four names shall be submitted by the Iowa
36 state education association and two named shall be
37 submitted by the Iowa federation of teachers.

38 NEW SECTION. PURPOSE, POWERS AND AUTHORITIES.

39 The commission shall:

40 1. Develop criteria and guidelines for combinations
41 of school districts and realignments of school district
42 boundaries in Iowa which will provide the optimum
43 in educational opportunity for students in the affected
44 areas.

45 2. Conduct a study of specific school districts
46 which fail to satisfy these criteria and prepare and
47 submit a final report to the Sixty-seventh General
48 Assembly, 1977 Session, which contains specific
49 recommendations for the organization and restructuring
50 of the school districts to insure for each student

- 1 in Iowa attending the public elementary and secondary
2 school system in the state, the opportunity for a
3 quality education through an efficiently administered
4 public school system.
- 5 NEW SECTION. The commission shall begin its study
6 as soon as possible, and shall be staffed, to meet
7 its needs, by the department of public instruction.
8 An opportunity shall be provided for local districts
9 under review to express their preference for
10 combination with other districts in order to effectuate
11 the goal established for the commission. The
12 commission shall have access to all official records,
13 may subpoena witnesses and compel production of books,
14 papers or other documents pertaining to its
15 investigation and study.
- 16 NEW SECTION. Members of the commission shall be
17 reimbursed for their actual and necessary expenses
18 incurred by them in the discharge of their duties
19 from funds appropriated to the department of public
20 instruction."
- 21 11. Page 7B, line 42, by inserting after the word
22 "Code" the following:
23 "for the purpose of reducing the area served or
24 changing the boundaries to exclude areas encompassed
25 by the enlargement, reorganization or boundary
26 changes".
- 27 12. Page 7B, line 44, by striking the words
28 "further reorganization" and inserting in lieu thereof
29 the words "such action".
- 30 13. Page 8, by inserting after line 20 the
31 following:
32 "or Iowa students attending a nonpublic school
33 in the district".
- 34 14. Page 9 by striking lines 20 through 23 and
35 inserting in lieu thereof the following:
36 "~~whichever is less. However, if the amount so~~
37 ~~determined for any district is less than two hundred~~
38 ~~dollars per pupil, the district is entitled to receive~~
39 ~~not less than two hundred dollars per pupil except~~
40 ~~when a district's total general fund".~~
- 41 15. Page 9 by striking lines 34 and 35 and
42 inserting in lieu thereof the following:
43 "~~pupil necessary to retain that ten percent~~
44 ~~reduction.~~"
- 45 16. Page 10A by striking lines 1 through 5 and
46 line 6, by striking the words "district cost for the
47 budget year."
- 48 17. Page 10A, by inserting after line 12 the
49 following:
50 "Sec. __. Section four hundred forty-two point

1 two (442.2), unnumbered paragraph one (1), Code 1975,
2 is amended to read as follows:
3 Each school district shall cause to be levied each
4 year, for the school general fund, a foundation
5 property tax of five dollars and forty cents per
6 thousand dollars of assessed valuation on all taxable
7 property in the district. If the money raised by
8 the foundation property tax alone exceeds the maximum
9 allowed district cost for the budget year, the district
10 shall pay the excess amount to the state general fund.
11 For the purpose of this chapter, a school district
12 is defined as a school corporation organized under
13 chapter 274. Each county auditor shall certify to
14 each school district within the county and to the
15 state comptroller, not later than October 1 each year,
16 the assessed valuation of taxable property for the
17 current year in each school district within the county.
18 18. Page 11A and 11B by striking lines 23 through
19 36 and inserting in lieu thereof the following:
20 "2. An adjusted enrollment for each district shall
21 be computed as follows:
22 a. For the school year beginning July 1, 1975,
23 if a district has a decrease from the sum of the basic
24 enrollment in the base year plus adjustments for
25 decreasing enrollment made in the base year, to the
26 basic enrollment in the budget year, the state
27 comptroller shall compute an amount to be added to
28 the basic enrollment for the budget year. The amount
29 to be added is equal to fifty percent of this decrease,
30 to the extent that the decrease does not exceed five
31 percent of the sum of the basic enrollment in the
32 base year plus adjustments made for decreasing
33 enrollment in the base year, and twenty-five percent
34 of the remaining decrease. If the district does not
35 experience this decrease, the adjusted enrollment
36 for the budget year is equal to the basic enrollment
37 for the budget year.
38 b. For the school years subsequent to the school
39 year beginning July 1, 1975, if a district has a
40 decrease from the basic enrollment in the base year
41 to the basic enrollment in the budget year the state
42 comptroller shall compute an amount to be added to
43 the basic enrollment for the budget year. The amount
44 to be added is equal to fifty percent of the basic
45 enrollment decrease to the extent that it does not
46 exceed five percent of the base years basic enrollment,
47 and twenty-five percent of the remaining basic
48 enrollment decrease. If the school district does
49 not experience a decrease from the basic enrollment
50 in the base year to the basic enrollment in the budget

S-3580

1 Amend the Committee on Education amendment
2 S-3564, to pages 11A and 11B of House File 558 as
3 amended, passed and reprinted by the House, as
4 follows:

5 1. Page 4, by striking lines 22 through 37 and
6 inserting in lieu thereof the following:

7 "a. For the school years beginning July 1, 1975,
8 and July 1, 1976, the state comptroller shall
9 compute for each district an adjusted enrollment
10 equal to one of the following:

11 (1) If a district has a decrease from the basic
12 enrollment of the base year to the basic enrollment
13 of the budget year, the state comptroller shall
14 determine an adjusted enrollment for the district
15 by adding an amount equal to one hundred percent
16 of the decrease to the extent that the decrease
17 is not more than two percent of the base year's
18 basic enrollment, and fifty percent of the remain-
19 ing decrease, to either the basic enrollment for
20 the budget year or to the sum of the basic enroll-
21 ment for the base year plus adjustments made for
22 decreasing enrollment under the law in effect
23 July first of the base year, whichever is greater.

24 (2) If a district does not have a decrease from
25 the basic enrollment of the base year to the basic
26 enrollment of the budget year, its adjusted enroll-
27 ment for the budget year is the greater of its basic
28 enrollment for the budget year or its basic enroll-
29 ment for the base year plus adjustments made for
30 decreasing enrollment under the law in effect July
31 first of the base year."

32 2. Page 4, line 39, by striking the figure
33 "1975" and inserting in lieu thereof the figure
34 "1976".

S-3580 FILED - *H. D. 4/22 (1042)* BY WILLIAM P. WINKELMAN
APRIL 21, 1975

S-3589

1 Amend the Senate Committee on Education amendment,
2 S-3575, to House File 558, as amended, passed and re-
3 printed by the House as follows:

4 1. Page 2, line 34, by striking the word "named"
5 and inserting in lieu thereof the word "names".

6 2. Page 2, line 40, by striking the word "optimun"
7 and inserting in lieu thereof the word "optimum".

8 3. Page 4, line 44, by striking the word "years"
9 and inserting in lieu thereof the word "year's".

S-3589 FILED AND ADOPTED BY JOAN ORR
APRIL 22, 1975

HOUSE FILE 558

S-3567

1 Amend House File 558, as amended, passed and re-
2 printed by the House, as follows:
3 1. Page 11B, by inserting after line 1 the fol-
4 lowing and renumbering the remaining subsection:
5 "3. However, for the school years beginning
6 July 1, 1975, and July 1, 1976, the state comptroller
7 shall compute for each district an adjusted enroll-
8 ment equal to one of the following:
9 a. If a district has a decrease from the basic
10 enrollment of the base year to the basic enrollment
11 of the budget year, the state comptroller shall
12 determine an adjusted enrollment for the district
13 by adding an amount equal to one hundred percent of
14 the decrease to the extent that the decrease is not
15 more than two percent of the base year's basic en-
16 rollment, and fifty percent of the remaining decrease,
17 to the sum of the basic enrollment for the base year
18 plus adjustments made for decreasing enrollment under
19 the law in effect July first of the base year.
20 b. If a district does not have a decrease from the
21 basic enrollment of the base year to the basic enroll-
22 ment of the budget year, its adjusted enrollment for
23 the budget year is the greater of its basic enrollment
24 for the budget year or its basic enrollment for the
25 base year plus adjustments made for decreasing enroll-
26 ment under the law in effect July first of the base
27 year."

S-3567 FILED - *Ruled out of order 4/23 (1978)* BY WILLIAM P. WINKELMAN
APRIL 18, 1975

S-3582

1 Amend House File 558, as amended, passed and
2 reprinted by the House, as follows:
3 1. Page 12A, line 32, by striking the words
4 "seven-tenths percent" and inserting in lieu thereof
5 the following:
6 "three-tenths of one percent to be used to
7 fund a portion of the cost of driver education
8 instruction offered by the district and formerly
9 funded by a state appropriation".
10 2. Pages 12A and 12B, by striking lines 33
11 through 38.

S-3582 FILED - *H.L. 4/23 (1980)* BY WILLIAM P. WINKELMAN
APRIL 22, 1975 RICHARD R. RAMSEY
DALE L. TIEDEN
RICHARD J. NORPEL, SR.
LOUIS P. CULVER
H. L. HEYING
CLIFTON C. LAMBORN

S-3588

1 Amend the Winkelman amendment S-3567 to page 11B of
2 House File 558 as amended, passed and reprinted by the
3 House, on line 3, by striking the number "1" and inserting
4 in lieu thereof the number "36".

S-3588 FILED - *Ruled out of* BY WILLIAM P. WINKELMAN
APRIL 22, 1975 *order 4/23 (1077)*

S-3583

1 Amend House File 558, as amended, passed and re-
2 printed by the House, page 11A, by striking lines
3 23 through 36 and inserting in lieu thereof the
4 following:
5 "2. The state comptroller shall compute an
6 adjusted enrollment for each district by adding to
7 its basic enrollment for the budget year the sum
8 of the following:
9 a. If the district has a decrease from the basic
10 enrollment of the base year to the basic enrollment
11 of the budget year, an amount equal to one hundred
12 percent of the decrease to the extent that the
13 decrease is not more than two percent of the base
14 year's basic enrollment, and fifty percent of the
15 remaining decrease. The amount added under this
16 paragraph in a base year is not used in computing
17 the amount to be added under this paragraph for a
18 budget year. If a district does not have a de-
19 creasing basic enrollment from the base year to
20 the budget year, its amount to be added under this
21 paragraph for the budget year is zero.
22 b. An amount equal to one-third of the number
23 of resident pupils within the district attending
24 nonpublic schools in grades kindergarten through
25 twelve. However such amount shall not exceed
26 the lesser of one thousand pupils or one-fifth
27 of the basic enrollment in the district for the
28 budget year."

S-3583 FILED - *H.O. 4/23 (1077)* BY BERL E. PRIEBE
APRIL 22, 1975 DALE L. TIEDEN
H. L. HEYING

S-3594

1 Amend the Committee on Education amendment
2 S-3575, to House File 558, as amended, passed and
3 reprinted by the House, page 5, by inserting after
4 the period on line 42 the following: "For the pur-
5 pose of this subsection the district cost shall not
6 include the amount by which the district cost of
7 transportation per pupil exceeds the state wide
8 average cost of transportation per pupil times the
9 basic enrollment in the district."

S-3594 FILED - *H.O. 4/23 (1073)* BY LUCAS J. DE KOSTER
APRIL 22, 1975 ROGER J. SHAFF
RICHARD R. RAMSEY

S-3585

1 Amend the Committee on Education amendment
2 S-3580, to pages 11A and 11B of House File 558 as
3 amended, passed and reprinted by the House, as
4 follows:

5 1. Page 4, by striking lines 20 through 35 and
6 inserting in lieu thereof the following:

7 "a. For the school years beginning July 1, 1975,
8 and July 1, 1976, the state comptroller shall
9 compute for each district an adjusted enrollment
10 equal to one of the following:

11 (1) If a district has a decrease from the basic
12 enrollment of the base year to the basic enrollment
13 of the budget year, the state comptroller shall
14 determine an adjusted enrollment for the district
15 by adding an amount equal to one hundred percent
16 of the decrease to the extent that the decrease
17 is not more than two percent of the base year's
18 basic enrollment, and fifty percent of the remain-
19 ing decrease, to either the basic enrollment for
20 the budget year or to the sum of the basic enroll-
21 ment for the base year plus adjustments made for
22 decreasing enrollment under the law in effect
23 July first of the base year, whichever is greater.

24 (2) If a district does not have a decrease from
25 the basic enrollment of the base year to the basic
26 enrollment of the budget year, its adjusted enroll-
27 ment for the budget year is the greater of its basic
28 enrollment for the budget year or its basic enroll-
29 ment for the base year plus adjustments made for
30 decreasing enrollment under the law in effect July
31 first of the base year."

32 2. Page 4, line 37, by striking the figure
33 "1975" and inserting in lieu thereof the figure
34 "1976".

S-3585 FILED - w. D. 4/23 (1072) BY WILLIAM P. WINKELMAN
APRIL 22, 1975

S-3590

1 Amend House File 558 as amended and passed by
2 the House, and reprinted as follows:

3 1. Page 7A, line 22, by striking the word
4 "section" and inserting in lieu thereof the word
5 "sections".

6 2. Page 7A, by inserting after line 33 the
7 following:

8 "NEW SECTION. AVAILABILITY OF MEDIA SERVICES,
9 OTHER SERVICES AND SPECIAL EDUCATION SUPPORT
10 SERVICES. Media services, other services and
11 special education support services shall be avail-
12 able to all resident pupils in the state. These
13 services may be furnished to public schools in
14 addition to public and nonpublic school pupils
15 residing in the state. These services shall not
16 be furnished to nonpublic schools."

S-3590 FILED - *Lock* 4/23 (1076) BY EUGENE M. HILL
APRIL 22, 1975

S-3587

1 Amend the Committee on Education amendment
2 S-3575, to pages 11A and 11B of House File 558 as
3 amended, passed and reprinted by the House, as
4 follows:
5 1. Page 4, by striking lines 20 through 35 and
6 inserting in lieu thereof the following:
7 "a. For the school years beginning July 1, 1975,
8 and July 1, 1976, the state comptroller shall
9 compute for each district an adjusted enrollment
10 equal to one of the following:
11 (1) If a district has a decrease from the basic
12 enrollment of the base year to the basic enrollment
13 of the budget year, the state comptroller shall
14 determine an adjusted enrollment for the district
15 by adding an amount equal to one hundred percent
16 of the decrease to the extent that the decrease
17 is not more than two percent of the base year's
18 basic enrollment, and fifty percent of the remain-
19 ing decrease, to the basic enrollment for
20 the budget year, or add the sum of the basic enroll-
21 ment for the budget year adjustments made for
22 decreasing enrollment under the law in effect
23 July first of the base year, whichever is greater.
24 (2) If a district does not have a decrease from
25 the basic enrollment of the base year to the basic
26 enrollment of the budget year, its adjusted enroll-
27 ment for the budget year is the greater of its basic
28 enrollment for the budget year or its basic enroll-
29 ment for the base year plus adjustments made for
30 decreasing enrollment under the law in effect July
31 first of the base year."
32 2. Page 4, line 37, by striking the figure
33 "1975" and inserting in lieu thereof the figure
34 "1976".

S-3587 FILED - *Lost 4/23(1072)* BY WILLIAM P. WINKELMAN
APRIL 22, 1975

S-3592

1 Amend House File 558, as amended, passed and
2 reprinted by the House, page 18A, line 18, by in-
3 serting after the period the words:
4 "However, for the budget year beginning July 1,
5 1975, each school district which provided special
6 education services under sections two hundred eighty-
7 one point nine (281.9) through two hundred eighty-
8 one point eleven (281.11) of the Code, as those
9 sections are in effect prior to July 1, 1975, for
10 the school year beginning July 1, 1974, shall reduce
11 its district cost by its unreimbursed excess cost for
12 that year which is defined as reimbursable under said
13 section two hundred eighty-one point nine (281.9) of
14 the Code."

S-3592 FILED - *Adopted 4/23* BY WILLIAM P. WINKELMAN
APRIL 22, 1975 *(1081)* DALE L. TIEDEN
LOUIS P. CULVER
BASS VAN GILST

S-3593

- 1 Amend the Committee on Education amendment S-3575
- 2 to House File 558 as amended, passed and reprinted
- 3 by the House, as follows:
- 4 1. Page 5, by striking lines 1 through 12, and
- 5 inserting in lieu thereof the following:
- 6 . Page 12B, by striking line 41 and inserting in
- 7 lieu thereof the words "shall be established by the
- 8 general assembly."
- 9 . Page 13, by striking lines 1 through 35.
- 10 . Page 14, by striking lines 1 through 8 and
- 11 inserting in lieu thereof the words "If the general
- 12 assembly does not act to establish the state percent
- 13 of growth for a budget year, the state percent of
- 14 growth for the budget year is the state percent of
- 15 growth established by the general assembly for the
- 16 base year."
- 17 . Page 14, by renumbering subsections as
- 18 necessary.
- 19 2. By renumbering the remaining paragraphs.

S-3593 FILED - *Last 4/23 (1073)* BY EUGENE M. HILL
APRIL 22, 1975

HOUSE FILE 558

S-3595

- 1 Amend the Committee on Education amendment
- 2 S-3575 to House File 558 as amended, passed and
- 3 reprinted by the House, as follows:
- 4 1. Page 2, line 11 by striking the word
- 5 "ORGANIZATION" and inserting in lieu thereof the
- 6 word "RESTRUCTURING".
- 7 2. Page 2, line 13, by striking the word
- 8 "organization" and inserting in lieu thereof the
- 9 word "restructuring".
- 10 3. Page 2, line 47, by striking the words
- 11 "organization and".
- 12 4. Page 8, line 17, by striking the word
- 13 "organization" and inserting in lieu thereof the
- 14 word "restructuring".

S-3595 FILED AND ADOPTED BY NORMAN RODGERS
APRIL 22, 1975 *(1052)*

S-3604

- 1 Amend House File 558 as amended, passed and reprinted
- 2 by the House, page 11B, by inserting before line 37 the
- 3 following:
- 4 "c. In addition to the amount determined under
- 5 paragraph (a) or (b) of this subsection an amount shall
- 6 be added equal to one-third of the number of resident
- 7 pupils within the district attending nonpublic schools
- 8 in grades kindergarten through twelve. However, such
- 9 amount shall not exceed the lesser of one thousand
- 10 pupils or one-fifth of the basic enrollment in the
- 11 district for the budget year."

S-3604 FILED AND LOST *(1077)* BY BERL R. PRIEBE
APRIL 23, 1975

1 lieu thereof the words "September weighted enrollment".
2 40. Page 24A, line 33, by inserting after the
3 word "levy" the following:

4 "less the amount of the adjustment to the district
5 cost for increases in the weighted enrollment made
6 in the first unnumbered paragraph in this section".

7 41. Page 24B, by inserting after line 52 the
8 following:

9 "Sec. __. SUPPORT COSTS FOR SPECIAL EDUCATION
10 SERVICES FOR NONPUBLIC SCHOOL PUPILS SERVED. For
11 the school year beginning July 1, 1975, only, if an
12 area education agency has not incorporated within
13 the program plans for special education support
14 services submitted for approval to the department
15 of public instruction under the provisions of sections
16 two hundred seventy-three point five (273.5), two
17 hundred seventy-three point nine (273.9) and four
18 hundred forty-two point seven (442.7) of the Code,
19 the total number of nonpublic school pupils it will
20 serve it may raise an amount to meet the costs for
21 these pupils as follows:

22 1. Determine the total number of nonpublic school
23 pupils in the area that were not included in the
24 original program plans for special education support
25 services submitted to the department of public
26 instruction that the agency will serve.

27 2. The total amount to be raised is equal to the
28 number determined in subsection one (1) of this section
29 times the amount obtained for the area to be added
30 to allowable growth per weighted pupil under the
31 provisions of section four hundred forty-two point
32 seven (442.7), subsection seven (7), paragraph c of
33 the Code.

34 3. The state comptroller shall calculate the
35 amounts due from each district to its area education
36 agency by multiplying the total amount determined
37 in subsection two (2) of this section by the fraction
38 that the total number of weighted pupils in the
39 district for the budget year is of the total number
40 of weighted pupils in the area for the budget year.

41 4. The district, to raise the additional amount,
42 shall add to its district cost for the school year
43 beginning July 1, 1975, the amount determined under
44 subsection three (3) of this section, which amount
45 shall be deducted from its district cost for the
46 budget year beginning July 1, 1976. The state
47 comptroller shall deduct the amounts calculated under
48 this subsection for each school district from the
49 state aid due to the district pursuant to chapter
50 four hundred forty-two (442) of the Code, and shall

1 28. Page 20, by striking lines 21 through 24
2 and inserting in lieu thereof the following:
3 "442.15 COMPUTATION OF ENRICHMENT AMOUNT. If
4 a majority".

5 29. Page 20, by striking lines 29 through 34
6 and inserting in lieu thereof the following:
7 "procedures have been carried out, and the state
8 comptroller shall establish the amount of additional
9 enrichment property tax to be levied and the amount
10 of school district income surtax to be imposed".

11 30. Page 21A, by striking lines 8 and 9.

12 31. Page 24A, by striking lines 4 through 6 and
13 inserting in lieu thereof the following:

14 "receives services. For the school year beginning
15 July 1, 1975, the number of nonpublic school pupils
16 served for the purposes of computation under this
17 section for media and other services is equal to the
18 difference between the weighted enrollment for the
19 budget year in the district and the basic enrollment
20 for the budget year in the district. For school years
21 subsequent to the school year beginning July 1, 1975,
22 each school district shall include in the second
23 Friday in January enrollment report the number of
24 nonpublic school pupils within each district for media
25 and other services served by the area."

26 32. Page 24A, line 8, by striking the word "basic"
27 and inserting in lieu thereof the word "weighted".

28 33. Page 24A, line 10, by striking the word "basic"
29 and inserting in lieu thereof the word "weighted".

30 34. Page 24A, line 12, by striking the word "basic"
31 and inserting in lieu thereof the word "weighted".

32 35. Page 24A, line 15, by inserting after the
33 word "pupil" the words "less the amount per pupil
34 for special education support services, media services
35 and other services computed as a part of district
36 cost under the provisions of section four hundred
37 forty-two point seven (442.7) of the Code and section
38 twenty-two (22) of this Act".

39 36. Page 24A, line 16, by striking the word "basic"
40 and inserting in lieu thereof the word "weighted".

41 37. Page 24A, line 21, by striking the words
42 "basic enrollment" and inserting in lieu thereof the
43 words "weighted enrollment".

44 38. Page 24A, line 22, by inserting after the
45 word "year" the following:

46 ", less the amount of the adjustment to the district
47 cost for increases in the weighted enrollment made
48 in the first unnumbered paragraph in this section".

49 39. Page 24A, lines 31 and 32, by striking the
50 words "basic September enrollment" and inserting in

1 "Sec. ____ . Section four hundred forty-two point
2 thirteen (442.13), subsection four (4), Code 1975,
3 as amended to read as follows:
4 4. If the district cost per pupil exceeds one
5 hundred ten percent of the state cost per pupil, the
6 committee shall establish a modified allowable growth
7 by reducing the allowable growth, subject to the
8 minimum for the school years beginning July 1, 1974,
9 and July 1, 1975, as provided in section 442.7. In
10 making decisions under this subsection, the committee
11 shall permit allowable growth to the extent necessary
12 to prevent severe hardship to a district whose district
13 cost per pupil ~~would not have exceeded~~ exceeds one
14 hundred ten percent of the state cost per pupil if
15 ~~miscellaneous income were included in computations~~
16 ~~under this chapter to the same extent that it was~~
17 ~~included for the school year beginning July 1, 1972.~~
18 For the purpose of this subsection the district cost
19 per pupil shall not include the amount by which the district
20 cost of transportation per pupil exceeds the statewide
21 average cost of transportation per pupil."
22 24. Page 19A, line 4, by inserting after the
23 word "curriculum" the words "maintenance or".
24 25. Page 19A, lines 5 and 6, by striking the
25 words "The department of public instruction shall
26 further define these purposes by rule."
27 26. Page 19A, by striking lines 8 through 27
28 and inserting in lieu thereof the following:
29 "amount per pupil needed, within the limits of
30 this section, and shall direct the county commis-
31 sioner of elections to submit the question of
32 whether to raise that amount under the provisions
33 of this section and section four hundred forty-two
34 point fifteen (442.15) of the Code, to the qualified
35 electors of the school district at a regular or
36 special school election held not later than February
37 fifteenth of the base year. If a majority of those
38 voting favors raising the enrichment amount, the
39 board may include the approved amount in its
40 certified budget."
41 27. Page 19A, by striking line 35, and by
42 striking page 19B and lines 1 through 17 on page
43 20, and inserting in lieu thereof the following:
44 "4. The additional enrichment amount for a
45 district is limited to the amount which may be
46 raised by a combination tax in the prescribed
47 proportion which does not exceed a property tax
48 of fifty-four cents per thousand dollars of
49 assessed valuation and an income surtax of five
50 percent."

1 not experience a decrease from the basic enrollment
2 in the base year to the basic enrollment in the budget
3 year the adjusted enrollment for the budget year is
4 equal to the basic enrollment for the budget year."

5 15. Page 12A, line 32, by striking the words
6 "and seven-tenths percent" and inserting in lieu
7 thereof the following:

8 "plus four-tenths of one percent to be used
9 to fund improvements to the Iowa public employees'
10 retirement system".

11 16. Pages 12A and 12B, by striking lines 33
12 through 38.

13 17. Page 13, by striking lines 19 through 25 and
14 inserting in lieu thereof the following:

15 "c. The difference in the Iowa consumer price
16 index which shall be computed by the state comptroller
17 prior to January 1, 1976, and recomputed each month
18 subsequent to January 1, 1976, based upon a
19 comprehensive sampling of the costs of goods and
20 services within Iowa, and until an Iowa consumer price
21 index is available, the consumer price index published
22 by the bureau of labor statistics, United States
23 department of labor computed or estimated as a
24 percentage of change for the following periods:"

25 18. Page 15, line 22, by striking the word "to"
26 and inserting in lieu thereof the word "the".

27 19. Page 16, line 20, by striking the words "five
28 (442.5)" and inserting in lieu thereof the words "four
29 (442.4)".

30 20. Page 17, line 25, by striking the words "five
31 (442.5)" and inserting in lieu thereof the words "four
32 (442.4)".

33 21. Page 18A, line 18, by inserting after the period
34 the words:

35 "However, for the budget year beginning July 1,
36 1975, each school district which provided special
37 education services under sections two hundred eighty-
38 one point nine (281.9) through two hundred eighty-
39 one point eleven (281.11) of the Code, as those
40 sections are in effect prior to July 1, 1975, for
41 the school year beginning July 1, 1974, shall reduce
42 its district cost by its unreimbursed excess cost for
43 that year which is defined as reimbursable under said
44 section two hundred eighty-one point nine (281.9) of
45 the Code."

46 22. Page 18A, line 16, by striking the words
47 "twenty-one (21)" and inserting in lieu thereof the
48 words "twenty-two (22)".

49 23. Page 18A by striking lines 23 through 25 and
50 inserting in lieu thereof the following:

1 inserting in lieu thereof the following:

2 "NEW SECTION. PROHIBITED DUPLICATION OF SERVICES.

3 The area education agency shall not provide programs
4 and services which duplicate the services provided
5 by the state educational radio and television facility
6 board as provided in sections eighteen point one
7 hundred thirty-two (18.132) through eighteen point
8 one hundred fifty-three (18.153) of the Code."

9 10. Page 7B, line 42, by inserting after the word
10 "Code" the following:

11 "for the purpose of reducing the area served or
12 changing the boundaries to exclude areas encompassed
13 by the enlargement, reorganization or boundary
14 changes".

15 11. Page 7B, line 44, by striking the words
16 "further reorganization" and inserting in lieu thereof
17 the words "such action".

18 12. Page 8, by striking lines 5 through 35.

19 13. Page 9, by striking lines 1 through 10.

20 14. Page 11A and 11B by striking lines 23 through
21 36 and inserting in lieu thereof the following:

22 "2. An adjusted enrollment for each district shall
23 be computed as follows:

24 a. For the school year beginning July 1, 1975,
25 if a district has a decrease from the sum of the basic
26 enrollment in the base year plus adjustments for
27 decreasing enrollment made in the base year, to the
28 basic enrollment in the budget year, the state
29 comptroller shall compute an amount to be added to
30 the basic enrollment for the budget year. The amount
31 to be added is equal to fifty percent of this decrease,
32 to the extent that the decrease does not exceed five
33 percent of the sum of the basic enrollment in the
34 base year plus adjustments made for decreasing
35 enrollment in the base year, and twenty-five percent
36 of the remaining decrease. If the district does not
37 experience this decrease, the adjusted enrollment
38 for the budget year is equal to the basic enrollment
39 for the budget year.

40 b. For the school years subsequent to the school
41 year beginning July 1, 1975, if a district has a
42 decrease from the basic enrollment in the base year
43 to the basic enrollment in the budget year the state
44 comptroller shall compute an amount to be added to
45 the basic enrollment for the budget year. The amount
46 to be added is equal to fifty percent of the basic
47 enrollment decrease to the extent that it does not
48 exceed five percent of the base year's basic enrollment,
49 and twenty-five percent of the remaining basic
50 enrollment decrease. If the school district does

H-3720

1 Amend House File 558 as amended, passed, and
2 reprinted by the house as follows:

3 1. Page 4A, by striking lines 14 through 24 and
4 inserting in lieu thereof the word "provided."

5 2. Page 5A, line 7, by striking the words "school
6 districts" and inserting in lieu thereof the words
7 "public school corporations".

8 3. Page 5A, by inserting after line 8 the
9 following:

10 "Sec. . . . Section two hundred seventy-three point
11 three (273.3), Code 1975, is amended by adding the
12 following new subsection:

13 NEW SUBSECTION. Be authorized, subject to the
14 approval of the department of public instruction,
15 to acquire by retransfer from the county board of
16 education of a county school system, within one year
17 from the effective date of this Act, at a cost not
18 to exceed one thousand dollars, any land formerly
19 held by the United State department of health,
20 education, and welfare."

21 4. Page 5A, by inserting after line 24 the
22 following:

23 "For the school years subsequent to the school
24 year beginning July 1, 1975, the director shall include
25 in the program plans submitted to the department for
26 support services the costs necessary to fund the newly
27 identified nonpublic school pupils served by the area
28 with support services not previously counted in the
29 program plans for support services."

30 5. Page 5A, by inserting before line 25 the
31 following section:

32 "Sec. . . . Section two hundred seventy-three point
33 eight (273.8), subsection two (2), unnumbered paragraph
34 five (5), Code 1975, is amended to read as follows:

35 Vacancies, as defined in section 277.29, in the
36 membership of the area education agency board shall
37 be filled for the unexpired portion of the term by
38 ~~the board of the school district in which the member~~
39 resided at a special director district convention
40 called and conducted in the manner provided in this
41 subsection for regular director district conventions."

42 6. Page 7A, line 7, by striking the words "one
43 (21)" and inserting in lieu thereof the words "two (22)".

44 7. Page 7A, line 14, by striking the words "twenty-
45 one (21)" and inserting in lieu thereof the words
46 "twenty-two (22)".

47 8. Page 7A, line 17, by striking the words "twenty-
48 one (21)" and inserting in lieu thereof the words
49 "twenty-two (22)".

50 9. Page 7A, by striking lines 23 through 33 and

House File 558

H-3741

- 1 Amend the senate amendment (H-3720) to House File
- 2 558, as House File 558 was amended, passed and re-
- 3 printed by the House, page 3, by striking lines 33
- 4 through 45.

H-3741 FILED - *Adopted 5/9 (1686)*
MAY 5, 1975

BY NORLAND of Worth
PONCY of Wapello
HANSEN of O'Brien
WULFF of Blackhawk
BINA of Scott
EGENES of Story
BROCKETT of Marshall
WALTER of Pottawattamie
TAUKE of Dubuque
JOCHUM of Dubuque
MILLER of Cerro Gordo
HIGGINS of Scott

House File 558

H-3826

- 1 Amend the Senate amendment (H-3720) to House
- 2 File 558 as amended, passed and reprinted by the
- 3 House, as follows:
- 4 1. Page 1, by inserting after line 4 the
- 5 following:
- 6 "____. Page 4A, by inserting after line 24 the
- 7 following:
- 8 "Sec.____. Section two hundred seventy-three
- 9 point two (273.2), unnumbered paragraph five (5),
- 10 Code 1975, is amended to read as follows:
- 11 The board of directors of an area education
- 12 agency shall not establish programs and services
- 13 which duplicate programs and services which are or
- 14 may be provided by the area schools under the
- 15 provisions of chapter 280A. An area education
- 16 agency shall contract, whenever practicable, with
- 17 other school corporations for the use of personnel,
- 18 buildings, facilities, supplies, equipment, programs,
- 19 and services.""
- 20 2. Renumber the sections and correct internal
- 21 references in conformance with this amendment.

H-3826 FILED, ADOPTED (1683)
MAY 9, 1975

BY PATCHETT of Johnson
DAGGETT of Adams
BORTELL of Madison
BYERLY of Polk
STROMER of Hancock

H-3784

1 Amend the Senate amendment (H-3720) to House File
2 558 as amended, passed and reprinted by the House as
3 follows:

4 1. Page 2, by striking lines 24 through 39 and
5 inserting in lieu thereof the following:

6 "a. For the school years beginning July 1, 1975,
7 and July 1, 1976, the state comptroller shall
8 compute for each district an adjusted enrollment
9 equal to one of the following:

10 (1) If a district has a decrease from the basic
11 enrollment of the base year to the basic enrollment
12 of the budget year, the state comptroller shall
13 determine an adjusted enrollment for the district
14 by adding an amount equal to one hundred percent
15 of the decrease to the extent that the decrease
16 is not more than two percent of the base year's
17 basic enrollment, and fifty percent of the remain-
18 ing decrease, to the basic enrollment for the budget
19 year, or add to the sum of the basic enrollment for
20 the budget year the adjustments made for decreasing
21 enrollment under the law in effect July first of
22 the base year, whichever is greater.

23 (2) If a district does not have a decrease from
24 the basic enrollment of the base year to the basic
25 enrollment of the budget year, its adjusted enroll-
26 ment for the budget year is the greater of its basic
27 enrollment for the budget year or its basic enroll-
28 ment for the base year plus adjustments made for
29 decreasing enrollment under the law in effect July
30 first of the base year."

31 2. Page 2, line 41, by striking the figure "1975"
32 and inserting in lieu thereof the figure "1976".

H-3784 FILED - *Last 5/9 (1685)*
MAY 7, 1975

BY BENNETT of Ida

H-3785

1 Amend the Senate Amendment (H-3720) to House File
2 558, as amended, passed and reprinted by the House
3 as follows:

4 1. Page 2 by striking lines 20 through 50.

5 2. Page 3, by striking lines 1 through 4.

6 3. Renumber the sections and correct internal
7 references in conformance with this amendment.

H-3785 FILED - *Last 5/9 (1682)*
MAY 7, 1975

BY STROMER of Hancock
BENNETT of Ida
HANSEN of O'Brien

1 district in the area to be served by the area education
2 agency for media and other services shall be sub-
3 mitted by the department of public instruction to
B 4 the state comptroller within one week after this Act
5 is duly published. For school years subsequent to
6 the school year beginning July 1, 1975, each school
7 district shall include in the second Friday in January
8 enrollment report the number of nonpublic school
9 pupils within each school district for media and other
10 services served by the area."

11 12. Page 6, by striking lines 7 through 50.

12 13. Page 7, by striking lines 1 through 13.

F 13 14. Page 7, by inserting after line 20 the

F 14 following:
15 "_____. Page 24B by inserting after line 55 the
16 following:

17 "Sec. _____. Sections four hundred forty-two point
18 fourteen (442.14) through four hundred forty-two point
19 twenty (442.20), Code 1975, are repealed."

20 15. Page 7, by striking lines 21 through 24 and
21 inserting in lieu thereof the following:

H 22 "_____. Amend the title, line 17, by inserting
23 after the word "growth" the words "and distribute
24 certain funds".

25 _____. Amend the title, line 17, by striking the words
26 "authorizing an enrichment program funded by" and
27 by striking line 18 and, line 19, by striking the
28 words "former income surtax provisions,".

29 _____. Amend the title, line 26, by inserting after
30 the word "date" the words ", and repealing the school
31 district income surtax provisions".

B 32 16. Renumber the sections and correct internal
33 references in conformance with this amendment.

H-3779 FILED
H-3779A WITHDRAWN - 5/7 (1638)
H-3779B ADOPTED - " " Reconsidered, divided, adopted 5/9 (1681)
C. adopted - 5/9 (1681)

D - withdrawn 5/9 (1686)
E - Lost 5/9 "
F - withdrawn 5/9 (1687)
G - adopted 5/9 (1687)
H - withdrawn " "

H-3779

1 Amend the Senate Amendment (H-3720) to House File
 2 558 as amended, passed and reprinted by the House
 3 as follows:

A 4 1. Page 1, by striking lines 3 and 4.

B 5 2. Page 1, by striking line 50.

6 3. Page 2, by striking lines 1 through 8.

C 7 4. Page 2, by striking lines 18 and 19.

8 5. Page 3, by striking lines 5 through 12.

9 6. Page 3, by striking lines 42 through 45 and
 D10 inserting in lieu thereof the following:

11 "its district cost by seventy-four percent of the
 12 excess cost claimed by the school district for the
 13 school year beginning July 1, 1974, which is defined
 14 as reimbursable under said section two hundred eighty-
 15 one point nine (281.9), of the Code."

16 7. Page 3, by striking lines 49 and 50.

6 17 8. Page 4, by striking lines 1 through 21.

18 9. Page 4, by inserting after line 21 the
 19 following;

20 "____. Page 18A, by inserting after line 25 the
 D21 following:

22 "Sec. ____ Section four hundred forty-two point
 23 thirteen (442.13), Code 1975, is amended by adding
 24 the following new subsection:

25 NEW SUBSECTION. The school budget review committee
 26 may establish a modified allowable growth for a school
 27 district by increasing its allowable growth to provide
 28 aid to prevent hardship to a school district that
 29 is required to reduce its district cost by seventy-
 30 four percent of the amount of the excess cost for
 31 special education programs claimed for the school
 32 year beginning July 1, 1974, which cost is defined
 33 as reimbursable under section two hundred eighty-one
 34 point nine (281.9), of the Code, as the section was
 35 in effect prior to July 1, 1975."

36 10. Page 4, by striking lines 22 through 50 and,
 37 page 5, by striking lines 1 through 11 and inserting
 38 in lieu thereof the following:

39 "____. Page 18A, and 18B by striking lines 26
 E40 through 38.

41 _____. Page 19A, by striking lines 1 through 35.

42 _____. Page 19B, by striking the page.

43 _____. Page 20, by striking lines 1 through 35.

44 _____. Page 21A, by striking lines 1 through 35.

45 11. Page 5, by striking lines 14 through 25 and
 46 inserting in lieu thereof the following:

B47 "receives services. For the budget year beginning
 48 July 1, 1975, the total number of nonpublic pupils
 49 served by each area education agency and the number
 50 of nonpublic school pupils residing within each school

1 sections four hundred forty-one point thirty-seven
2 (441.37), four hundred forty-one point thirty-eight
3 (441.38), and four hundred forty-one point thirty-nine
4 (441.39) of the Code, but such review shall be limited
5 only to the action taken by the assessor for the
6 current year, not for prior years. The filer of a
7 protest may do so within the period of ten days before
8 the reconvened session of the board of review. The
9 dates stipulated in section four hundred forty-one
10 point thirty-seven (441.37) of the Code shall be changed
11 to coincide with the applicable dates of the reconvened
12 board of review. This change of dates shall be limited
13 only to section four hundred forty-one point forty-nine
14 (441.49) of the Code."

15 2. Amend the title, line 19, by inserting before
16 the word "providing" the words "providing for changes
17 in property valuation procedures,".

18 3. Renumber the sections and correct internal
19 references in conformance with this amendment.

H-3827 FILED, WITHDRAWN (1688-89)
MAY 9, 1975

BY BYERLY of Polk
NORLAND of Worth

1 Amend the Senate amendment (H-3720) to House File
2 558 as amended, passed and reprinted by the House as
3 follows:

4 1. Page 2, by inserting after line 19 the follow-
5 ing:

6 "___ . Page 9, by inserting after line 10 the fol-
7 lowing:

8 "Sec. ___ . Section four hundred forty-one point
9 forty-eight (441.48), Code 1975, is amended to read
10 as follows:

11 441.48 NOTICE OF ADJUSTMENT. Before the director
12 of revenue shall adjust the valuation of any kind or
13 class of property any such percentage, the director
14 shall serve ten days' notice by mail, on the assessor
15 county auditor of the county whose valuation is proposed
16 to be adjusted and the director shall hold an adjourned
17 meeting after such ten days' notice, at which time such
18 assessor county jurisdiction may appear by its assessor
19 city council or board of supervisors, city or county
20 attorney, or otherwise, and make written or oral
21 protest against such proposed adjustment, which pro-
22 test shall consist simply of a statement of the error,
23 or errors, complained of with such facts as may lead
24 to their correction, and at such adjourned meeting
25 final action may be taken in reference thereto.

26 Sec. ___ . Section four hundred forty-one point
27 forty-nine (441.49), Code 1975, is amended by strik-
28 ing the section and inserting in lieu thereof the
29 following:

30 441.49 ADJUSTMENT BY COUNTY AUDITOR. The director
31 shall shall keep a record of the review and adjustment
32 proceedings and finish such proceedings on or before
33 the third Monday of October. The director shall
34 notify each county auditor by mail of the final action
35 taken at the proceedings and specify any adjustments
36 in the valuations of any kind or class of property
37 to be made effective for the jurisdiction. The
38 county auditor shall thereupon add to or deduct from
39 the valuation of each kind or class of property in
40 his county the required percentage, rejecting all
41 fractions of fifty cents or less in the result, and
42 counting all fractions over fifty cents as one dollar.
43 In making the adjustments the assessor shall see to it
44 that in no case shall the market value of an individual
45 property exceed one hundred percent of its value deter-
46 mined in accordance with section four hundred forty-one
47 point twenty-one (441.21) of the Code. For the purposes
48 of this section, a taxpayer affected by the assessor's
49 revaluation and reassessment shall have the right to
50 have the same reviewed in the manner provided for in

1 pay the amounts to the area education agencies on
2 a quarterly basis during each school year. The state
3 comptroller shall notify each school district of the
4 amount of state aid deducted for this purpose and
5 the balance of state aid will be paid to the district.
6 If a district does not qualify for state aid under
7 chapter four hundred forty-two (442) of the Code in
8 an amount sufficient to cover its amount due to the
9 area education agency as calculated by the state
10 comptroller under this section, the school district
11 shall pay the deficiency to the area education agency
12 from funds received by the district, on a quarterly
13 basis during each school year."

14 42. Page 24B, by striking lines 53 and 54 and
15 inserting in lieu thereof the following:

16 "Sec. _____. All sections of this Act except the
17 section amending section three hundred twenty-one
18 point one hundred seventy-eight (321.178) of the Code,
19 shall be retroactive to January 1, 1975, and take
20 effect".

21 43. Amend the title, line 25, by inserting after
22 the word "systems" the words ", providing certain
23 special education support funds in addition to the
24 programed and approved costs".

25 44. Renumber the sections and correct internal
26 references in conformance with this amendment.

H-3720 RECEIVED FROM THE SENATE
MAY 1, 1975

*House concurred as amended by
3741; 3779B, C, G; 3819F; 3826 5/9 (1689)*

H-3819

1 Amend the Senate Amendment (H-3720) to House
2 File 558, as amended, passed and reprinted by the
3 House, as follows:

A 4 1. Page 2, by striking lines 18 and 19.

5 2. Page 2, by inserting after line 19 the
B 6 following:

7 "_____. Page 8, by inserting after line 20 the
8 following:

9 "or Iowa students attending a nonpublic school
10 in the district"."

A 11 3. Page 3, by striking lines 5 through 12.

H-3819 FILED, H-3819A WITHDRAWN BY PATCHETT of Johnson
MAY 9, 1975 H-3819B ADOPTED (1683)

S-3494

1 Amend House File 558, as amended, passed and re-
2 printed by the House, as follows:
3 1. Page 18A, by inserting after line 25 the
4 following new section:
5 "Sec. ____ . Section four hundred forty-two point
6 thirteen (442.13), Code 1975, is amended by adding
7 the following new subsection:
8 NEW SUBSECTION. The school budget review commit-
9 tee shall reimburse upon application each school
10 district for actual costs incurred for prekinderg-
11 garten programs during the period from the second
12 Friday in January of 1975, to July 1, 1975, estab-
13 lished by the district in compliance with the
14 school standards provided by chapter two hundred
15 fifty-seven (257) of the Code."
16 2. Renumber the sections and correct internal
17 references in conformance with this amendment.
18 3. Amend the title, line 17, by inserting after
19 the word "growth" the words "and reimburse school
20 districts for prekindergarten programs".

S-3494 FILED - *Last 4/23 (1082)* BY WARREN E. CURTIS
APRIL 10, 1975 FORREST V. SCHWENGELS

S-3552

1 Amend House File 558 as amended, passed and reprinted
2 by the House, as follows:
3 1. Page 10A, by inserting after line 12 the
4 following new section:
5 "Sec. ____ . Section four hundred forty-two point
6 three (442.3), Code 1975, is amended to read as
7 follows:
8 442.3 STATE FOUNDATION BASE. The state founda-
9 tion base for the school year beginning July 1, 1972,
10 is seventy percent of the state cost per pupil.
11 For each succeeding school year the state founda-
12 tion base shall be increased by the amount of
13 one percent of the state cost per pupil, up to
14 a maximum of eighty percent of the state cost
15 per pupil. However for the school years beginning
16 July 1, 1975 and July 1, 1976, the state founda-
17 tion base is equal to seventy-five percent of the
18 state cost per pupil and shall remain at seventy-
19 five percent for the school year beginning July 1,
20 1977. The district foundation base is the larger
21 of the state foundation base or the amount per
22 pupil which the district will receive from founda-
23 tion property tax and state school foundation aid."
24 2. By renumbering the remaining sections in
25 accordance with this amendment.

S-3552 FILED - *w. 2 4/23 (1076)* BY ROGER J. SHAFF
APRIL 17, 1975

1 year the adjusted enrollment for the budget year is
2 equal to the basic enrollment for the budget year."

3 19. Page 13, by striking lines 19 through 25 and
4 inserting in lieu thereof the following:

5 "c. The difference in the Iowa consumer price
6 index which shall be computed by the state comptroller
7 prior to January 1, 1976, and recomputed each month
8 subsequent to January 1, 1976, based upon a
9 comprehensive sampling of the costs of goods and
10 services within Iowa, and until an Iowa consumer price
11 index is available, the consumer price index published
12 by the bureau of labor statistics, United States
13 department of labor computed or estimated as a
14 percentage of change for the following periods:"

15 20. Page 15, line 22, by striking the word "to"
16 and inserting in lieu thereof the word "the".

17 21. Page 16, line 20, by striking the words "five
18 (442.5)" and inserting in lieu thereof the words "four
19 (442.4)".

20 22. Page 17, line 25, by striking the words "five
21 (442.5)" and inserting in lieu thereof the words "four
22 (442.4)".

23 23. Page 18A, line 16, by striking the words
24 "twenty-one (21)" and inserting in lieu thereof the
25 words "twenty-two (22)".

26 24. Page 18A by striking lines 23 through 25 and
27 inserting in lieu thereof the following:

28 "Sec. ____ . Section four hundred forty-two point
29 thirteen (442.13), subsection four (4), Code 1975,
30 is amended to read as follows:

31 4. If the district cost per pupil exceeds one
32 hundred ten percent of the state cost per pupil, the
33 committee shall establish a modified allowable growth
34 by reducing the allowable growth, subject to the
35 minimum for the school years beginning July 1, 1974,
36 and July 1, 1975, as provided in section 442.7. In
37 making decisions under this subsection, the committee
38 shall permit allowable growth to the extent necessary
39 to prevent severe hardship to a district whose district
40 cost per pupil ~~would-not-have-exceeded~~ exceeds one
41 hundred ten percent of the state cost per pupil ~~if~~
42 ~~miscellaneous-income-were-included-in-computations~~
43 ~~under-this-chapter-to-the-same-extent-that-it-was~~
44 ~~included-for-the-school-year-beginning-July-1-1972.~~"

45 25. Page 18A and 18B by striking lines 26 through
46 38.

47 26. Page 19A and 19B by striking lines 1 through
48 38 and page 19B by striking line 30.

49 27. Page 20 by striking lines 1 through 35.

50 28. Page 21A by striking lines 1 through 35.

1 29. Page 24A, by striking lines 4 through 6 and
2 inserting in lieu thereof the following:
3 "receives services. For the school year beginning
4 July 1, 1975, the number of nonpublic school pupils
5 served for the purposes of computation under this
6 section for media and other services is equal to the
7 difference between the weighted enrollment for the
8 budget year in the district and the basic enrollment
9 for the budget year in the district. For school years
10 subsequent to the school year beginning July 1, 1975,
11 each school district shall include in the second
12 Friday in January enrollment report the number of
13 nonpublic school pupils within each district for media
14 and other services served by the area."

15 30. Page 24A, line 8, by striking the word "basic"
16 and inserting in lieu thereof the word "weighted".

17 31. Page 24A, line 10, by striking the word "basic"
18 and inserting in lieu thereof the word "weighted".

19 32. Page 24A, line 12, by striking the word "basic"
20 and inserting in lieu thereof the word "weighted".

21 33. Page 24A, line 15, by inserting after the
22 word "pupil" the words "less the amount per pupil
23 for special education support services, media services
24 and other services computed as a part of district
25 cost under the provisions of section four hundred
26 forty-two point seven (442.7) of the Code and section
27 twenty-two (22) of this Act".

28 34. Page 24A, line 16, by striking the word "basic"
29 and inserting in lieu thereof the word "weighted".

30 35. Page 24A, line 21, by striking the words
31 "basic enrollment" and inserting in lieu thereof the
32 words "weighted enrollment".

33 36. Page 24A, line 22, by inserting after the
34 word "year" the following:

35 ", less the amount of the adjustment to the district
36 cost for increases in the weighted enrollment made
37 in the first unnumbered paragraph in this section".

38 37. Page 24A, lines 31 and 32, by striking the
39 words "basic September enrollment" and inserting in
40 lieu thereof the words "September weighted enrollment".

41 38. Page 24A, line 33, by inserting after the
42 word "levy" the following:

43 "less the amount of the adjustment to the district
44 cost for increases in the weighted enrollment made
45 in the first unnumbered paragraph in this section".

46 39. Page 24B, by inserting after line 52 the
47 following:

48 "Sec. . SUPPORT COSTS FOR SPECIAL EDUCATION
49 SERVICES FOR NONPUBLIC SCHOOL PUPILS SERVED. For
50 the school year beginning July 1, 1975, only, if an

1 area education agency has not incorporated within
2 the program plans for special education support
3 services submitted for approval to the department
4 of public instruction under the provisions of sections
5 two hundred seventy-three point five (273.5), two
6 hundred seventy-three point nine (273.9) and four
7 hundred forty-two point seven (442.7) of the Code,
8 the total number of nonpublic school pupils it will
9 serve it may raise an amount to meet the costs for
10 these pupils as follows:

11 1. Determine the total number of nonpublic school
12 pupils in the area that were not included in the
13 original program plans for special education support
14 services submitted to the department of public
15 instruction that the agency will serve.

16 2. The total amount to be raised is equal to the
17 number determined in subsection one (1) of this section
18 times the amount obtained for the area to be added
19 to allowable growth per weighted pupil under the
20 provisions of section four hundred forty-two point
21 seven (442.7), subsection seven (7), paragraph c of
22 the Code.

23 3. The state comptroller shall calculate the
24 amounts due from each district to its area education
25 agency by multiplying the total amount determined
26 in subsection two (2) of this section by the fraction
27 that the total number of weighted pupils in the
28 district for the budget year is of the total number
29 of weighted pupils in the area for the budget year.

30 4. The district, to raise the additional amount,
31 shall add to its district cost for the school year
32 beginning July 1, 1975, the amount determined under
33 subsection three (3) of this section, which amount
34 shall be deducted from its district cost for the
35 budget year beginning July 1, 1976. The state
36 comptroller shall deduct the amounts calculated under
37 this subsection for each school district from the
38 state aid due to the district pursuant to chapter
39 four hundred forty-two (442) of the Code, and shall
40 pay the amounts to the area education agencies on
41 a quarterly basis during each school year. The state
42 comptroller shall notify each school district of the
43 amount of state aid deducted for this purpose and
44 the balance of state aid will be paid to the district.
45 If a district does not qualify for state aid under
46 chapter four hundred forty-two (442) of the Code in
47 an amount sufficient to cover its amount due to the
48 area education agency as calculated by the state
49 comptroller under this section, the school district
50 shall pay the deficiency to the area education agency

1 from funds received by the district, on a quarterly
2 basis during each school year."

3 40. Page 24B by inserting before line 53 the
4 following:

5 "Sec. ____ . Sections four hundred forty-two point
6 fourteen (442.14) through four hundred forty-two point
7 twenty (442.20), Code 1975, are repealed."

8 41. Page 24B, by striking line 53 and inserting
9 in lieu thereof the following:

10 "Sec. ____ . Sections one (1) through eleven (11)
11 and thirteen (13) through twenty-three (23) of this".

12 42. Renumber sections and correct internal
13 references in conformance with this amendment.

14 43. Amend the title, line 8, by inserting after
15 the word "conditions" the words "and requiring a study
16 of the organization of school districts".

17 44. Amend the title, line 9, by striking the word
18 "modifying" and inserting in thereof the word
19 "eliminating".

20 45. Amend the title, line 10, by inserting after
21 the word "aid" the words ", providing for payment
22 of the excess foundation property tax to the state
23 general fund".

24 46. Amend the title, by striking lines 17 through
25 19 and inserting in lieu thereof the words "allowable
26 growth, providing new methods for deter-".

27 47. Amend the title, line 25, by inserting after
28 the word "systems" the words ", providing certain
29 special education support funds in addition to the
30 programed and approved costs".

31 48. Amend the title, line 25, by inserting after
32 the word "references" the words ", repealing the
33 present school district income surtax".

61 ~~proposed, which~~ that if a nonpublic school pupil receives services
62 through an area other than the area of the pupil's residence, the pupil
63 shall be deemed to be served by the area of his residence, which shall
64 by contractual arrangement reimburse the area through which the pu-
65 pil actually receives services. For the budget year beginning July 1,
66 1975, the total number of nonpublic pupils served by each area educa-
67 tion agency and the number of nonpublic school pupils residing within
68 each school district in the area to be served by the area education
69 agency for media and other services shall be submitted by the depart-
70 ment of public instruction to the state comptroller within one week af-
71 ter this Act is duly published. For school years subsequent to the
72 school year beginning July 1, 1975, each school district shall include in
73 the second Friday in January enrollment report the number of non-
74 public school pupils within each school district for media and other ser-
75 vices served by the area.

76 **NEW SECTION. Advance for increasing enrollment.** If a district's
77 weighted enrollment on the second Friday of September in the budget
78 year, determined in the same manner as the January weighted enroll-
79 ment is determined under section four hundred forty-two point four
80 (442.4) of the Code, is higher than its weighted enrollment on the sec-
81 ond Friday of January in the base year, the district is entitled to an
82 advance from the state of an amount equal to its district cost per pupil
83 less the amount per pupil for special education support services, media
84 services and other services computed as a part of district cost under the
85 provisions of section four hundred forty-two point seven (442.7) of the
86 Code and the first new section of section twenty-five (25) of this Act for
87 the budget year multiplied by its increase in weighted enrollment. The
88 advance shall be miscellaneous income.

89 If a district receives an advance under this section for a budget year,
90 the state comptroller shall determine the amount of the advance which
91 would have been met by local property tax revenues if the September
92 weighted enrollment had been used for that budget year, less the
93 amount of the adjustment to the district cost for increases in the
94 weighted enrollment made in the first unnumbered paragraph in this

HOUSE FILE 558

AN ACT

RELATING TO ELEMENTARY, SECONDARY AND PREKINDERGARTEN EDUCATION, BY CHANGING THE CERTIFICATION DATE OF SCHOOL BUDGETS, PROVIDING FOR ENFORCEMENT OF SCHOOL STANDARDS AND PRESCRIBING TIME PERIODS FOR COMPLIANCE, CLARIFYING THE PROVISION OF AUXILIARY SERVICES, CLARIFYING DUTIES OF THE AREA EDUCATION AGENCY BOARD AND ADMINISTRATOR, THE DIRECTOR OF SPECIAL EDUCATION, THE DEPARTMENT OF PUBLIC INSTRUCTION, AND THE STATE COMPTROLLER, LIMITING REORGANIZATION UNDER CERTAIN CONDITIONS, MODIFYING REIMBURSEMENT PROVISIONS FOR DRIVER EDUCATION, MODIFYING THE TWO HUNDRED DOLLAR MINIMUM STATE FOUNDATION AID, PROVIDING NEW METHODS FOR DEFINING ENROLLMENT AND AUGMENTING DECLINING ENROLLMENT, CLARIFYING AUTHORIZED EXPENDITURES, PROVIDING A STATE PERCENT OF GROWTH FOR THE 1975-76 SCHOOL YEAR, NEW METHODS FOR DETERMINING STATE PERCENT OF GROWTH AND ALLOWABLE GROWTH, CORRECTING METHODS OF COMPUTING STATE COST AND DISTRICT COST PER PUPIL, MODIFYING THE AUTHORITY OF THE SCHOOL BUDGET REVIEW COMMITTEE TO REDUCE ALLOWABLE GROWTH, AUTHORIZING AN ENRICHMENT PROGRAM FUNDED BY PROPERTY TAX, STATE AID, AND AN INCOME SURTAX TO REPLACE THE FORMER INCOME SURTAX PROVISIONS, PROVIDING NEW METHODS FOR DETERMINING AND FUNDING COSTS OF MEDIA SERVICES AND OTHER SERVICES PROVIDED THROUGH THE AREA EDUCATION AGENCIES, PROVIDING AN ADVANCE TO COMPENSATE FOR INCREASING ENROLLMENT, MODIFYING REIMBURSEMENT FOR SPECIAL EDUCATION SERVICES FORMERLY OFFERED BY LOCAL DISTRICTS AND COUNTY OR JOINT COUNTY SCHOOL SYSTEMS, PROVIDING CERTAIN SPECIAL EDUCATION SUPPORT FUNDS IN ADDITION TO THE PROGRAMMED AND APPROVED COSTS, CORRECTING REFERENCES, MAKING AN APPROPRIATION, AND PROVIDING A RETROACTIVE EFFECTIVE DATE.

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

Section 1. Section twenty-four point seventeen (24.17),

unnumbered paragraph one (1), Code 1975, is amended to read as follows:

The local budgets of the various political subdivisions, ~~except for local school districts,~~ shall be certified by the chairman of the certifying board or levying board, as the case may be, in duplicate to the county auditor not later than March 45 fifteenth of each year on blanks prescribed by the state board, and according to the rules and instruction which shall be furnished all certifying and levying boards in printed form by the state board. ~~The local budgets of local school districts shall be certified not later than February 45 in the same manner as local budgets of the various political subdivisions are certified.~~

Sec. 2. Section two hundred fifty-seven point twenty-five (257.25), subsections ten (10) and eleven (11), Code 1975, are amended to read as follows:

10. As a basis for inclusion on the list of approved schools, the state department of public instruction shall evaluate the school educational program in the several school systems of the state for the purposes of school improvement and approval, and each public and nonpublic school system shall make such reports as the superintendent of public instruction deems necessary to show compliance with the curriculum programs and other requirements prescribed in the Code. The state department, in consultation with the board of directors and administration of the school district, shall conduct an immediate evaluation of the educational program of each school district which the department determines has failed to comply with the curriculum programs and other requirements prescribed in the Code.

The state superintendent shall make recommendations and suggestions in writing to each school and school district which is subject to this section when the department of public instruction determines, after due investigation, that deficiencies exist in any school or school district.

The state board of public instruction shall adopt approval standards and rules to implement, interpret and make effective

the provisions of this section. In adopting the same, the board shall take into account recognized educational standards. Standards and rules shall be of general application without specific regard to school population.

Such standards and rules shall be subject to the provisions of chapter 17A. In addition, such standards and rules shall be reported by the state board to the general assembly within twenty days after the commencement of a regular legislative session. No school or school district shall be removed from the approved list for failure to comply with such standards or rules, until at least one hundred twenty days have elapsed following the reporting of such standards and rules to the general assembly as provided in this section.

11. The state board of public instruction shall remove for cause, after due investigation and notice, any school or school district from the approved list which fails to comply with such approval standards and rules in the manner prescribed in this subsection. The state board shall allow a reasonable period of time after notification of noncompliance, which shall be at least one not to exceed the following school year, for compliance with such approval standards and rules. if such If the school or school district is making a good faith effort and substantial progress toward full compliance and if the failure to comply is due to factors beyond the control of the board of directors or governing body of such school or school district additional time may be granted. In allowing such time for compliance, the board shall follow consistent policies, taking into account the circumstances of each case. The reasonable period of time for compliance may be, but need not be given prior to shall not exceed the one-year notice requirement that is required under of subsection 12. A school or school district which is removed from the approved list pursuant to the provisions of this section shall be ineligible to receive state financial aid during the period of noncompliance.

The During the period of time allowed for compliance, the superintendent of public instruction and the president of

the state board shall confer with the affected school board and with the school boards of contiguous school districts to assist the affected school board in determining how best to offer the students of that district an approved educational program. ~~When a school district has been removed from the approved list, is ineligible to receive state aid, and can no longer continue to operate, the board of directors shall seek to merge the territory of the school district with one or more contiguous school districts pursuant to the provisions of chapter 275. If by the first of July the following school year, the district has not met the approval standards and any portion of the district has not been merged with one or more contiguous school districts, the portion that has not been merged shall be merged with one or more contiguous school districts by the state board and the provisions of sections 275.25 to 275.38 shall apply.~~

Sec. 3. Section two hundred fifty-seven point twenty-five (257.25), subsection twelve (12), Code 1975, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. After notification of removal from the approved list, the board of directors shall seek to merge the territory of the school district with one or more contiguous school districts pursuant to the provisions of chapter two hundred seventy-five (275) of the Code. If on the date specified for removal from the approved list, the district, or any portion of the district, has not been merged with one or more contiguous school districts, the portion that has not been merged shall be merged with one or more contiguous school districts by the state board, and the provisions of sections two hundred seventy-five point twenty-five (275.25) through two hundred seventy-five point thirty-eight (275.38) of the Code shall apply. Until the merger is completed, the school district shall pay tuition for its resident students to an approved school district under the provisions of section two hundred seventy-nine point eighteen (279.18) of the Code.

Sec. 4. Section two hundred seventy-three point two

(273.2), subsection four (4), Code 1975, is amended by striking the subsection and inserting in lieu thereof the following:

4. Auxiliary services for nonpublic school pupils as provided in section two hundred fifty-seven point twenty-six (257.26) of the Code. However, if auxiliary services are provided their funding shall be based on the type of service provided.

Sec. 5. Section two hundred seventy-three point two (273.2), unnumbered paragraph five (5), Code 1975, is amended to read as follows:

The board of directors of an area education agency shall not establish programs and services which duplicate programs and services which are or may be provided by the area schools under the provisions of chapter 280A. An area education agency shall contract, whenever practicable, with other school corporations for the use of personnel, buildings, facilities, supplies, equipment, programs, and services.

Sec. 6. Section two hundred seventy-three point three (273.3), subsections two (2) and seven (7), Code 1975, are amended to read as follows:

2. Be authorized to receive and expend money for providing programs and services as provided in sections 273.1 to 273.9 and, chapter 281 and chapter four hundred forty-two (442) of the Code. All costs incurred in providing the programs and services, including administrative costs, shall be paid from funds received pursuant to sections 273.1 to 273.9 and chapters 281 and 442.

7. Be authorized, subject to the approval of the department state board of public instruction, to lease, receive by gift and operate and maintain such facilities and buildings as deemed necessary to provide authorized programs and services. However, the state board shall not approve the leasing or renting of facilities or buildings until it is satisfied by investigation that no public school corporations within the area have suitable facilities available.

Sec. 7. Section two hundred seventy-three point three (273.3), Code 1975, is amended by adding the following new

subsection:

NEW SUBSECTION. Be authorized, subject to the approval of the department of public instruction, to acquire by retransfer from the county board of education of a county school system, within one year from the effective date of this Act, at a cost not to exceed one thousand dollars, any land formerly held by the United States department of health, education, and welfare.

Sec. 8. Section two hundred seventy-three point four (273.4), Code 1975, is amended by adding the following new subsection:

NEW SUBSECTION. Submit program plans each year to the department of public instruction to reflect the needs of the area education agency for media services as provided in section two hundred seventy-three point six (273.6) of the Code.

Sec. 9. Section two hundred seventy-three point five (273.5), subsection six (6), Code 1975, is amended to read as follows:

6. Submit to the department of public instruction special education instructional and support program plans and applications including those for new or expanded programs and services, subject to criteria listed in chapter 281 and this chapter, for approval by November 4 first of each year for the school year commencing the following July 4 first.

For the school years subsequent to the school year beginning July 1, 1975, the director shall include in the program plans submitted to the department for support services the costs necessary to fund the newly identified nonpublic school pupils served by the area with support services not previously counted in the program plans for support services.

Sec. 10. Section two hundred seventy-three point eight (273.8), subsection two (2), unnumbered paragraph five (5), Code 1975, is amended to read as follows:

Vacancies, as defined in section 277.29, in the membership of the area education agency board shall be filled for the unexpired portion of the term ~~by the board of the school district in which the member resided~~ at a special director

district convention called and conducted in the manner provided in this subsection for regular director district conventions.

Sec. 11. Section two hundred seventy-three point nine (273.9), Code 1975, is amended by striking the section and inserting in lieu thereof the following:

273.9 FUNDING.

1. For the school year beginning July 1, 1975, and each succeeding school year, school districts shall pay for the programs and services provided through the area education agency and shall include expenditures for the programs and services in their budgets, in accordance with the provisions of this section.

2. School districts shall pay the costs of special education instructional programs with the moneys available to the districts for each child requiring special education, by application of the special education weighting plan in section two hundred eighty-one point nine (281.9) of the Code. Special education instructional programs shall be provided at the local level if practicable, or otherwise by contractual arrangements with the area education agency board as provided in section two hundred seventy-three point three (273.3), subsection five (5) of the Code, but in each case the total money available through section two hundred eighty-one point nine (281.9) and chapter four hundred forty-two (442) of the Code because of weighted enrollment for each child requiring special education instruction shall be made available to the district or agency which provides the special education instructional program to the child, subject to adjustments for transportation or other costs which may be paid by the school district in which the child is enrolled. Each district shall cooperate with its area education agency to provide an appropriate special education instructional program for each child who requires special education instruction, as identified and counted within the certification by the area director of special education or as identified by the area director of special education subsequent to the certification, and shall not provide a special education instructional program

to a child who has not been so identified and counted within the certification or identified subsequent to the certification.

3. The costs of special education support services provided through the area education agency shall be funded by an increase in the allowable growth of each school district, determined as provided in section four hundred forty-two point seven (442.7) of the Code. Special education support services shall not be funded until the program plans submitted by the special education directors of each area education agency, as required by section two hundred seventy-three point five (273.5) of the Code are modified as necessary and approved by the department of public instruction according to the criteria and limitations of chapter two hundred eighty-one (281) and section four hundred forty-two point seven (442.7) of the Code.

4. The costs of media services provided through the area education agency shall be funded as provided in the first new section of section twenty-five (25) of this Act. Media services shall not be funded until the program plans submitted by the administrators of each area education agency as required by section two hundred seventy-three point four (273.4) of the Code are modified as necessary and approved by the department of public instruction according to the criteria and limitations of section two hundred seventy-three point six (273.6) of the Code and the first new section of section twenty-five (25) of this Act.

5. The costs of other services provided through the area education agency shall be funded within the limitations in the first new section of section twenty-five (25) of this Act. The department of public instruction shall promulgate rules under chapter seventeen A (17A) of the Code, as necessary to implement performance of its approval duties under this section.

Sec. 12. Chapter two hundred seventy-three (273), Code 1975, is amended by adding the following new section:

NEW SECTION. MEDIA PRODUCTION. The purchase or lease

of equipment or facilities for media production or reproduction by an area education agency shall require the approval of the state board of public instruction. However, the purchase or lease of equipment for television production, television transmission, or closed circuit television transmission by an area education agency is prohibited. If the area education agency wishes to use equipment for television production, television transmission, or closed circuit television transmission, the area education agency shall contract with the state educational radio and television facility board.

Sec. 13. Chapter two hundred seventy-five (275), Code 1975, is amended by adding the following new section:

NEW SECTION. A school district which is enlarged, reorganized, or changes its boundaries under the provisions of sections two hundred seventy-five point twelve (275.12) through two hundred seventy-five point twenty-three (275.23) of the Code, shall not be allowed to file a petition under the provisions of section two hundred seventy-five point twelve (275.12) of the Code for the purpose of reducing the area served or changing the boundaries to exclude areas encompassed by the enlargement, reorganization or boundary changes for a period of five years following the effective date of the enlargement, reorganization or boundary change unless such action is approved by the state board of public instruction.

Sec. 14. Section two hundred eighty-one point eleven (281.11), unnumbered paragraph one (1), Code 1975, is amended to read as follows:

Program plans submitted to the department of public instruction pursuant to section ~~273.4~~ two hundred seventy-three point five (273.5) of the Code for approval shall establish all of the following:

Sec. 15. Section three hundred twenty-one point one hundred seventy-eight (321.178), subsection one (1), Code 1975, is amended to read as follows:

321.178 DRIVER EDUCATION.

1. APPROVED COURSE. An approved driver education course as programmed by the department of public instruction shall

consist of at least thirty clock hours of classroom instruction, and six or more clock hours of laboratory instruction of which at least three clock hours shall consist of street or highway driving.

~~The state shall reimburse each public school district in an amount not to exceed thirty dollars per student for each student enrolled in and regularly attending an approved driver education course offered or made available by the school district. Every public school district in Iowa shall offer or make available to all students residing in the school district or Iowa students attending a nonpublic school in the district an approved course in driver education. Said courses may be offered at sites other than at the public school, including nonpublic school facilities within the public school districts. The public school district offering said course in a nonpublic school within the public school district shall be eligible for the thirty-dollar state reimbursement for each student in the course regardless of the public school district in which the student happens to reside. An approved course offered during the summer months, on Saturdays, after regular school hours during the regular terms or partly in one term or summer vacation period and partly in the succeeding term or summer vacation period, as the case may be, shall satisfy the requirements of this section to the same extent as an approved course offered during the regular school hours of the school term. A student who successfully completes and obtains certification in an approved course in driver education may, upon proof of such fact, be excused from any field test which he would otherwise be required to take in demonstrating his ability to operate a motor vehicle. Funds for such reimbursement shall be appropriated by the legislature to a special driver education fund to be administered by the department of public instruction. Four percent of the annual amount allocated to the special driver education fund shall be available to the department of public instruction for use in discharging the cost of administration of this section.~~

Sec. 16. Section four hundred forty-two point one (442.1),

Code 1975, is amended to read as follows:

442.1 STATE SCHOOL FOUNDATION PROGRAM. This chapter establishes a state school foundation program. For each school year, each school district in the state is entitled to receive state school foundation aid, which shall be an amount per pupil equal to the difference between the amount per pupil of foundation property tax in the district, and the state foundation base or the district cost per pupil, whichever is less. However, if the amount so determined for any district is less than two hundred dollars per pupil, the district is entitled to receive not less than two hundred dollars per pupil ~~except when a district's total general fund tax rate is reduced to ninety percent or less of the district's total general fund tax rate for the school year beginning July 1, 1970. However, if this computation is made for the school years beginning July 1, 1975, and July 1, 1976, the general fund levy for each district for the school year which began July 1, 1970, shall be determined by including the levy certified by the county school system or joint county system in which the district was located, for the school year which began July 1, 1970. In this case the district is entitled to receive only that portion of the two hundred dollars per pupil necessary to retain that ten percent reduction.~~ However if the receipt of two hundred dollars by a school district plus the money raised by the foundation property tax exceeds the maximum allowed district cost for the budget year, the district shall be entitled to receive in state foundation aid an amount equal to the difference between the money raised by the foundation property tax for the budget year and the district cost for the budget year. In making computations and payments under this chapter, except in the case of computations relating to funding of special education support services, media services and other services provided through the area education agencies, the state comptroller shall round amounts to the nearest whole dollar.

Sec. 17. Section four hundred forty-two point four (442.4), Code 1975, is amended by striking the section and inserting

in lieu thereof the following:

442.4 ENROLLMENT.

1. Basic enrollment for the budget year is determined by adding the resident pupils who were enrolled on the second Friday of January in the base year in public elementary and secondary schools of the district and in public elementary and secondary schools in another district or state for which tuition is paid by the district. For the school year beginning July 1, 1975, pupils who were enrolled on the second Friday of January in the base year in special education programs conducted by a county or joint county school system are included in basic enrollment. For the school year beginning July 1, 1975, and each succeeding school year, pupils enrolled in prekindergarten programs other than special education programs are not included in basic enrollment.

Resident pupils of high school age for which the district pays tuition to attend an Iowa area school are included in basic enrollment on a full-time equivalent basis as of the second Friday of January in the base year.

Shared-time and part-time pupils of school age, irrespective of the districts in which the pupils reside, are included in basic enrollment as of the second Friday of January in the base year, in the proportion that the time for which they are enrolled or receive instruction for the school year is to the time that full-time pupils carrying a normal course schedule, at the same grade level, in the same school district, for the same school year, are enrolled and receive instruction. Tuition charges to the parent or guardian of a shared-time or part-time out-of-district pupil shall be reduced by the amount of any increased state aid occasioned by the counting of the pupil.

Pupils attending a university laboratory school are not counted in any district's basic enrollment, but the laboratory school shall report them directly to the department of public instruction.

A school district shall certify its basic enrollment to the state department of public instruction by January twenty-

fifth of each year, and the department shall promptly forward the information to the state comptroller. For purposes of determining whether a district is entitled to an advance for increasing enrollment, and for record-keeping purposes, a determination of enrollment shall be made on the second Friday of September in the budget year, in the same manner as the January basic enrollment is determined.

However, for the school year beginning July 1, 1974, basic enrollment is equal to the actual enrollment used for that year prior to adjustment for decreasing enrollment.

2. An adjusted enrollment for each district shall be computed as follows:

a. For the school year beginning July 1, 1975, if a district has a decrease from the sum of the basic enrollment in the base year plus adjustments for decreasing enrollment made in the base year, to the basic enrollment in the budget year, the state comptroller shall compute an amount to be added to the basic enrollment for the budget year. The amount to be added is equal to fifty percent of this decrease, to the extent that the decrease does not exceed five percent of the sum of the basic enrollment in the base year plus adjustments made for decreasing enrollment in the base year, and twenty-five percent of the remaining decrease. If the district does not experience this decrease, the adjusted enrollment for the budget year is equal to the basic enrollment for the budget year.

b. For the school years subsequent to the school year beginning July 1, 1975, if a district has a decrease from the basic enrollment in the base year to the basic enrollment in the budget year the state comptroller shall compute an amount to be added to the basic enrollment for the budget year. The amount to be added is equal to fifty percent of the basic enrollment decrease to the extent that it does not exceed five percent of the base year's basic enrollment, and twenty-five percent of the remaining basic enrollment decrease. If the school district does not experience a decrease from the basic enrollment in the base year to the basic enrollment

in the budget year the adjusted enrollment for the budget year is equal to the basic enrollment for the budget year.

3. Weighted enrollment is the adjusted enrollment as modified by application of the special education weighting plan in section two hundred eighty-one point nine (281.9) of the Code.

Sec. 18. Section four hundred forty-two point five (442.5), subsection one (1), paragraph a, and subsection two (2), Code 1975, are amended to read as follows:

a. "Miscellaneous income" means all receipts deposited to the general fund of a school district which are not obtained from state aid provided under section 442.1 or 442.11 or from property tax authorized under section four hundred forty-two point two (442.2) or four hundred forty-two point nine (442.9) of the Code.

2. The authorized expenditures during a school year may not exceed the lesser of the budget for that year certified under section 24.17 plus any allowable amendments permitted in this section, or the authorized budget, which is the sum of the district cost for that year plus the actual miscellaneous income received for that year plus the actual unspent balance from the preceding year. If actual miscellaneous income for a school year exceeds the anticipated miscellaneous income in the certified budget for that year, or if an unspent balance has not been previously certified, a school district may amend its certified budget. ~~A school district receiving voter approval to levy an income surtax may include, in the expenditures of the year prior to actual receipt of such funds, an estimation of the yield of the surtax rate. Actual expenditures following the last effective year of the approved surtax must be reduced by the amount of such estimate.~~

Sec. 19. Section four hundred forty-two point seven (442.7), Code 1975, is amended by striking the section and inserting in lieu thereof the following:

442.7 STATE PERCENT OF GROWTH--ALLOWABLE GROWTH.

1. For the school year beginning July 1, 1975, the state

percent of growth is ten and seven-tenths percent.

Seven-tenths of one percent of the state percent of growth is to compensate for the cost of improvements to the Iowa public employees' retirement system and also to fund a portion of the cost of driver education classes offered by the district and formerly funded partly by a state appropriation.

2. For school years subsequent to the school year beginning July 1, 1975, a state percent of growth for the budget year shall be computed by the state comptroller prior to February fifteenth of each year and forwarded to the superintendent of public instruction. The state percent of growth shall be an average of the following six percentages of growth:

a. The difference in the state general fund revenues received during the year, adjusted for changes in rates or basis, computed or estimated as a percentage of change for each of the following periods:

(1) From the year immediately preceding the base year to the base year.

(2) From the base year to the budget year.

b. The difference in the statewide assessed valuation of real property adjusted for statewide changes in assessment practices computed or estimated as a percentage of change for each of the following periods:

(1) From January first of the year immediately preceding the base year to January first of the base year.

(2) From January first of the base year to January first of the budget year.

c. The difference in the Iowa consumer price index which shall be computed by the state comptroller prior to January 1, 1976, and recomputed each month subsequent to January 1, 1976, based upon a comprehensive sampling of the costs of goods and services within Iowa, and until an Iowa consumer price index is available, the consumer price index published by the bureau of labor statistics, United States department of labor computed or estimated as a percentage of change for the following periods:

(1) From July first of the base year to July first of

the budget year.

(2) From July first of the budget year to July first of the year immediately following the budget year.

3. If the state percent of growth so computed is negative, that percentage shall not be used and the state percent of growth shall be zero.

4. Each year prior to February fifteenth the state comptroller shall recompute the state percent of growth for the previous year using adjusted estimates and the actual figures available. The difference between the recomputed state percent of growth for the base year and the original computation shall be added to or subtracted from the state percent of growth for the budget year, as applicable.

5. The state comptroller shall compute an estimated state percent of growth for the budget year prior to September fifteenth in the base year and shall forward this estimate to the superintendent of public instruction.

6. The basic allowable growth per pupil for the budget year shall be computed by multiplying the state cost per pupil for the base year times the state percent of growth for the budget year.

7. The allowable growth per pupil for each school district is the basic allowable growth per pupil, for the budget year modified as follows:

a. If the state cost per pupil in the base year exceeds the district cost per pupil in the base year, the basic allowable growth per pupil for the budget year is modified to equal the lesser of one hundred twenty-five percent of the basic allowable growth per pupil for the budget year or an amount sufficient to equalize the district cost per pupil in the budget year with the state cost per pupil in the budget year.

b. By the school budget review committee under section four hundred forty-two point thirteen (442.13) of the Code.

c. For the school year beginning July 1, 1975 only, by adding to the basic allowable growth per pupil for the budget year an amount to compensate for the costs of special educa-

tion support services provided through the area education agency. The total amount for each area shall be based upon the program plans submitted by the special education director of the area education agency as required by section two hundred seventy-three point five (273.5) of the Code, which shall be modified as necessary and approved by the department of public instruction according to the criteria and limitations of section two hundred seventy-three point five (273.5) and chapter two hundred eighty-one (281) of the Code. The amount of additional allowable growth per pupil for the budget year for each district in an area shall be determined by dividing the total amount for the area so determined by the weighted enrollment of the area for the budget year.

d. For each year following the school year beginning July 1, 1975, by adding to the basic allowable growth an amount to compensate for the additional costs of special education support services provided through the area education agency. The total amount for each area shall be based upon the amount needed in the area to serve children newly identified as requiring the services pursuant to plans submitted by the special education director of the area education agency as required by section two hundred seventy-three point five (273.5) of the Code, which shall be modified as necessary and approved by the department of public instruction according to the criteria and limitations of section two hundred seventy-three point five (273.5) and chapter two hundred eighty-one (281) of the Code. The amount of additional allowable growth per pupil for the budget year for each district in an area shall be determined by dividing the total amount for the area so determined by the weighted enrollment of the area for the budget year.

e. For the additional allowable growth computed under paragraphs c or d of this subsection, the department of public instruction, in cooperation with the appropriate personnel of the area education agency, shall determine the amounts for each area education agency, as required and the state comptroller shall calculate the amounts of additional allowable

growth for each district, and shall calculate the amounts due from each district to its area education agency by multiplying the additional allowable growth per pupil by the weighted enrollment in the district for the budget year. The state comptroller shall deduct the amounts so calculated for each school district from the state aid due to the district pursuant to chapter four hundred forty-two (442) of the Code, and shall pay the amounts to the area education agencies on a quarterly basis during each school year. The state comptroller shall notify each school district of the amount of state aid deducted for this purpose and the balance of state aid will be paid to the district. If a district does not qualify for state aid under chapter four hundred forty-two (442) of the Code in an amount sufficient to cover its amount due to the area education agency as calculated by the state comptroller, the school district shall pay the deficiency to the area education agency from other moneys received by the district, on a quarterly basis during each school year.

Sec. 20. Section four hundred forty-two point eight (442.8), Code 1975, is amended to read as follows:

442.8 STATE COST PER PUPIL. As used in this chapter, "state cost per pupil" for the school year beginning July 1, 1974, and prior school years means state cost per pupil in enrollment as enrollment was determined under section four hundred forty-two point four (442.4) of the Code prior to January 1, 1975, and "state cost per pupil" for the school year beginning July 1, 1975, and subsequent school years means state cost per pupil in weighted enrollment. The state cost per pupil for the school year beginning July 1, 1972, is nine hundred three dollars. The state cost per pupil for the school year beginning on July 1, 1973, and for each succeeding school year is the previous base year's state cost per pupil plus the allowable growth for the budget year. If the state percent of growth is zero or less, the state cost per pupil shall be the same as the previous base year's state cost per pupil.

For the school year beginning July 1, 1975, the allowable

growth added to the state cost per pupil shall be the basic allowable growth as otherwise computed under section 442.7, increased by an amount equal to the average of the amounts of allowable growth added for each school district in the state for special education support services provided through the area education agencies under ~~section~~ sections 273.9, subsection 4 three (3), and four hundred forty-two point seven (442.7), subsection seven (7), paragraph c of the Code. For each succeeding school year, the allowable growth added to the state cost per pupil as otherwise computed under section 442.7 shall be the basic allowable growth increased by an amount equal to the average of the amounts of allowable growth added for each school district in the state for additional special education support services needed for that year to serve newly identified children who require the services, under ~~section~~ sections 273.9, subsection 4 three (3), and four hundred forty-two point seven (442.7), subsection seven (7), paragraph d of the Code. The state comptroller shall compute the applicable amount of allowable growth to be added to the state cost per pupil for each school year.

Sec. 21. Section four hundred forty-two point nine (442.9), subsection one (1), paragraphs a and b, Code 1975, are amended to read as follows:

a. As used in this chapter, "district cost per pupil" for the school year beginning July 1, 1974, and for prior school years means the district cost per pupil in enrollment, as enrollment was determined under section four hundred forty-two point four (442.4) of the Code prior to January 1, 1975, and "district cost per pupil" for the school year beginning July 1, 1975, and subsequent school years means district cost per pupil in weighted enrollment. The district cost per pupil for the budget year is equal to the district cost per pupil for the base year plus the allowable growth. ~~However, in determining the district cost per pupil for the budget year beginning July 1, 1973, district cost per pupil in the base year means the general fund budget for the school year beginning July 1, 1971, as authorized and funded under Acts~~

~~of the Sixty-fourth General Assembly, chapter 72, including additional approved funding authorized by the school budget review committee, less the amount of adjusted miscellaneous income including adjustments pursuant to section 442.25, divided by the fall enrollment certified in September of 1971, plus the allowable growth for the school year beginning July 1, 1972, as computed on the basis of state cost per pupil excluding miscellaneous income. Also, in determining the district cost per pupil for the budget year beginning July 1, 1975, the amount received by a school district under sections 281.9 to 281.11, as state reimbursement for special education costs for the school year beginning July 1, 1974, shall be deducted.~~

b. The district cost for the budget year is equal to the district cost per pupil for the budget year multiplied by the weighted enrollment, plus the additional district cost allocated to the district under the first new section of section twenty-five (25) of this Act to fund media services and other services provided through the area education agency. A school district may not increase its district cost for the budget year except to the extent that an excess tax levy is authorized by the school budget review committee as provided in section 442.13, subsection 7.

Sec. 22. Section four hundred forty-two point thirteen (442.13), subsection four (4), Code 1975, is amended by striking the subsection.

Sec. 23. Section four hundred forty-two point fourteen (442.14), Code 1975, is amended by striking the section and inserting in lieu thereof the following:

442.14 ADDITIONAL ENRICHMENT AMOUNT.

1. For the budget year beginning July 1, 1976, and each succeeding school year, if a school board wishes to spend more than the amount permitted under sections four hundred forty-two point one (442.1) through four hundred forty-two point thirteen (442.13) of the Code, and the school board has not attempted by resolution to raise an additional enrichment amount for that budget year, the school board may

raise an additional enrichment amount not to exceed five percent of the state cost per pupil multiplied by the adjusted enrollment in the district, as provided in this section. However, the additional enrichment amount may be used only for educational research, curriculum maintenance or development, or innovative programs.

2. The board shall determine the additional enrichment amount per pupil needed, within the limits of this section, and shall direct the county commissioner of elections to submit the question of whether to raise that amount under the provisions of this section and section four hundred forty-two point fifteen (442.15) of the Code, to the qualified electors of the school district at a regular or special school election held not later than February fifteenth of the base year. If a majority of those voting favors raising the enrichment amount, the board may include the approved amount in its certified budget.

3. The additional enrichment amount needed shall be raised within the limits provided in this section by a combination of an enrichment property tax and a school district income surtax imposed in the proportion of a property tax of twenty-seven cents per thousand dollars of assessed valuation of taxable property in the district for each two and one-half percent of income surtax.

4. The additional enrichment amount for a district is limited to the amount which may be raised by a combination tax in the prescribed proportion which does not exceed a property tax of fifty-four cents per thousand dollars of assessed valuation and an income surtax of five percent.

Sec. 24. Section four hundred forty-two point fifteen (442.15), Code 1975, is amended by striking the section and inserting in lieu thereof the following:

442.15 COMPUTATION OF ENRICHMENT AMOUNT. If a majority of those voting in an election approves raising the additional enrichment amount under section four hundred forty-two point fourteen (442.14) of the Code and this section, the board shall certify to the state comptroller that the required

procedures have been carried out, and the state comptroller shall establish the amount of additional enrichment property tax to be levied and the amount of school district income surtax to be imposed for each school year for which the additional enrichment amount is authorized. The state comptroller shall determine these amounts based upon the most recent figures available for the district's valuation of taxable property, individual state income tax paid, and adjusted enrollment in the district, and shall certify to the district's county auditor the amount of enrichment property tax, and to the director of revenue the amount of school district income surtax to be imposed.

The school district income surtax shall be imposed on the state individual income tax for the calendar year during which the school's budget year begins, or for a taxpayer's fiscal year ending during the second half of that calendar year or the first half of the succeeding calendar year, and shall be imposed on all individuals residing in the school district on the last day of the applicable tax year. As used in this section, "state individual income tax" means the tax computed under section four hundred twenty-two point five (422.5) of the Code, less the deductions allowed in section four hundred twenty-two point twelve (422.12) of the Code.

An additional enrichment amount authorized under section four hundred forty-two point fourteen (442.14) of the Code or a lesser amount than the amount so authorized may be continued as provided in this section for a period of five school years. If the amount authorized is less than the maximum of five percent of the state cost per pupil and the board wishes to increase the amount, it shall reestablish its authority to do so in the manner provided in section four hundred forty-two point fourteen (442.14) of the Code. If the board wishes to continue any additional enrichment amount beyond the five-year period, it shall reestablish its authority to do so in the manner provided in section four hundred forty-two point fourteen (442.14) of the Code within the twelve-month period prior to termination of the five-year

period.

Sec. 25. Chapter four hundred forty-two (442), Code 1975, is amended by adding the following new sections:

NEW SECTION. FUNDING MEDIA AND OTHER SERVICES. Media services and other services provided through the area education agencies shall be funded, to the extent provided, by an addition to the district cost of each school district, determined as follows:

1. For the budget year beginning July 1, 1975, the total amount funded in each area for media services shall be the greater of an amount equal to the costs for media services in the area in the base year times the sum of one hundred percent plus the state percent of growth, or an amount equal to five dollars times the enrollment served in the area in the budget year. The costs for media services in the area in the base year beginning July 1, 1974, shall be a proportionate part of the budgeted expenditures by county school systems and joint county systems formerly serving pupils in the area based upon the enrollment served in that area in the base year by each county school system and joint county system compared to the total enrollment served by that county system or joint county system.

2. For each succeeding budget year, the total amount funded in each area for media services shall be the total amount funded in the area for media services in the base year times the sum of one hundred percent plus the state percent of growth.

3. However, the total amount funded in each area for media services in any budget year shall not exceed an amount equal to eight dollars times the enrollment served in the area in the budget year.

4. For the budget year beginning July 1, 1975, the total amount funded in each area for other services shall be an amount equal to ten dollars times the enrollment served in the area in the budget year.

5. For each succeeding budget year, the total amount funded in each area for other services shall be the total

amount funded in the area for other services in the base year times the sum of one hundred percent plus the state percent of growth. Part of the amount funded for other services may be used by the area education agencies for nonrecurring media costs for the school year beginning July 1, 1975.

6. Of the total amounts funded in each area each year for media services and other services, a portion shall be allocated to each district in the area. The portion to be allocated to each district in an area shall be the same percentage of the total amount that the enrollment served in the budget year in the district is of the enrollment served in the budget year in the area.

7. The portion allocated to each district in an area each budget year for media services and other services shall be added to the district cost of that district for the budget year as provided in section four hundred forty-two point nine (442.9) of the Code.

8. The department of public instruction and the state comptroller shall determine the total amounts funded in each area for media services and other services each year, and the amounts to be allocated to each district. The state comptroller shall deduct the amounts so calculated for each school district from the state aid due to the district pursuant to this chapter and shall pay the amounts to the districts' area education agencies on a quarterly basis during each school year. The state comptroller shall notify each school district the amount of state aid deducted for this purpose and the balance which will be paid to the district. If a district does not qualify for state aid under this chapter in an amount sufficient to cover the amount due to its area education agency as calculated by the state comptroller, the school district shall pay the deficiency to its area education agency from other moneys received by the district, on a quarterly basis during each school year.

9. "Enrollment served" means the basic enrollment plus the number of nonpublic school pupils served with media services or other services, as applicable, except that if

95 section, shall reduce the district's total state school aids available un-
 96 der this chapter for the next following budget year by the amount so
 97 determined, and shall increase the district's tax levy computed under
 98 section four hundred forty-two point nine (442.9) of the Code, for the
 99 next following budget year by the amount necessary to compensate for
 100 the reduction in state aid, so that the local property tax for the next
 101 following year will be increased only by the amount which it would
 102 have been increased in the budget year if the September weighted en-
 103 rollment could have been used to establish the levy less the amount of
 104 the adjustment to the district cost for increases in the weighted enroll-
 105 ment made in the first unnumbered paragraph in this section.
 106 There is appropriated each year from the general fund of the state
 107 the amount required to pay advances authorized under this section,
 108 which shall be paid to school districts in the same manner as other
 109 state aids are paid under section four hundred forty-two point twenty-
 110 six (442.26) of the Code.

1 SEC. 26. Notwithstanding the provisions of sections two hundred
 2 eighty-one point nine (281.9) and two hundred eighty-one point eleven
 3 (281.11) of the Code as those sections are in effect prior to July 1, 1975,
 4 reimbursement shall not be made to local school districts for the special
 5 education costs for the school year beginning July 1, 1974, incurred for
 6 programs provided for the school year beginning July 1, 1971, or prior
 7 years, but reimbursement shall be made to local school districts for new
 8 and expanded programs for the school year beginning July 1, 1974, be-
 9 yond those programs provided for the school year beginning July 1,
 10 1971, and reimbursement applied for by county boards of education
 11 and joint county boards of education under those sections shall be
 12 made.

1 SEC. 27. All sections of this Act except the section amending sec-
 2 tion three hundred twenty-one point one hundred seventy-eight
 3 (321.178) of the Code, shall be retroactive to January 1, 1975, and take
 4 effect for the 1975-1976 school year and succeeding school years.

1 SEC. 28. This Act, being deemed of immediate importance, shall
 2 take effect and be in force from and after its publication in The Des
 3 Moines Register, a newspaper published in Des Moines, Iowa, and in
 4 The Cedar Rapids Gazette, a newspaper published in Cedar Rapids,
 5 Iowa.

Approved June 3, 1975

I hereby certify that the foregoing Act, House File 558, was published in The Des Moines Reg-
 ister, Des Moines, Iowa, June 7, 1975, and in The Cedar Rapids Gazette, Cedar Rapids, Iowa,
 June 10, 1975.

MELVIN D. SYNHORST, Secretary of State