

MAR 24 1977

Place On Calendar

HOUSE FILE 463

By COMMITTEE ON EDUCATION  
(Formerly Study Bill 1)

Passed House, Date 5-17-77 (p. 2316) Passed Senate, Date \_\_\_\_\_

Vote: Ayes 87 Nays 4 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

*Motion to rescind vote 5/17 (p. 2346) w.d. 5/21 (2676)*

# A BILL FOR

1 An Act relating to the operation of area education agencies  
2 and to make an appropriation.

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

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463

1 Section 1. Section two hundred fifty-seven point ten  
2 (257.10), Code 1977, is amended by adding the following new  
3 subsection:

4 NEW SUBSECTION. Approve the salaries for area education  
5 agency administrators set by the area education agency boards.

6 Sec. 2. Section two hundred seventy-three point two  
7 (273.2), Code 1977, is amended by adding the following new  
8 unnumbered paragraph after unnumbered paragraph one (1).

9 NEW UNNUMBERED PARAGRAPH. An area education agency  
10 established under the provisions of this chapter is a body  
11 politic as a school corporation for the purpose of exercising  
12 powers granted under this chapter, and as such may sue and  
13 be sued. An area education agency may hold property and  
14 execute lease-purchase agreements pursuant to the provisions  
15 of section two hundred seventy-three point three (273.3),  
16 subsection seven (7), of the Code and after approval at the  
17 regular school election or a special election held throughout  
18 the area education agency. Section two hundred seventy-seven  
19 point three (277.3) of the Code is applicable to an election  
20 called under this section by the board of directors of an  
21 area education agency.

22 Sec. 3. Section two hundred seventy-three point three  
23 (273.3), subsections ten (10), twelve (12), and thirteen  
24 (13), Code 1977, are amended to read as follows:

25 10. In any county operating a juvenile home, upon request  
26 of the county board of supervisors ~~in-co-operation-with-and~~  
27 ~~at-the-expense-of-the-school-districts-of-residence-of-the~~  
28 ~~children-residing-in-the-home~~, provide suitable curriculum,  
29 teaching staff, books, supplies, and other necessary materials  
30 for the instruction of children of school age who are  
31 maintained in the juvenile home of the county, as provided  
32 in section 232.21. Reimbursement for the cost of instruction  
33 provided under this section shall be made pursuant to section  
34 six (6) of the Act.

35 12. Employ such personnel as may be required, if any,

1 to carry out the functions of the area education agency which  
2 may include the employment of an administrator who shall  
3 possess a superintendent's certificate issued under the  
4 provisions of section 260.9. The administrator shall be  
5 employed pursuant to the provisions of section 279.14 and  
6 the provisions of sections 279.23, 279.24, and 279.25. The  
7 salary range for an area education agency administrator shall  
8 be ~~from-seventeen-thousand-dollars-to-twenty-seven-thousand~~  
9 ~~five-hundred~~ established at not more than thirty thousand  
10 dollars ~~per-annum, including~~ for each year in which the area  
11 education agency of an administrator has an approved budget  
12 of three million dollars or more and not more than twenty-  
13 eight thousand dollars for each year in which the area  
14 education agency of an administrator has an approved budget  
15 of less than three million dollars. The salary limit shall  
16 include the costs of additional benefits, over and above the  
17 additional benefits given all full-time employees. The  
18 provisions of section 279.13 shall apply to the area educa-  
19 tion agency board and to all teachers employed by the area  
20 education agency. The provisions of sections 279.23, 279.24,  
21 and 279.25 shall apply to the area education board and to  
22 all administrators employed by the area education agency.  
23 Salary rates established by the board shall be subject to  
24 the approval of the state board.

25 13. Prepare an annual budget estimating income and  
26 expenditures for programs and services as provided in sections  
27 273.1 to 273.9 and chapter 281. The proposed budget shall  
28 be submitted to the ~~department~~ state board of public  
29 instruction, on forms provided by the department, no later  
30 than December 4 first preceding the next fiscal year for  
31 approval. The ~~department~~ state board shall review the proposed  
32 budget and shall prior to January 4 first either grant approval  
33 or return the budget without approval with comments of the  
34 ~~department~~ state board included. Any unapproved budget shall  
35 be resubmitted to the ~~department~~ state board for final

1 approval.

2 Sec. 4. Section two hundred seventy-three point three  
3 (273.3), Code 1977, is amended by adding the following new  
4 subsection:

5 NEW SUBSECTION. Jointly with the board of directors of  
6 the area vocational school or area community college of the  
7 area, change the boundaries of director districts in the  
8 merged area after each census or change in boundaries of the  
9 merged area to compensate for changes in population if  
10 population changes have taken place under the provisions of  
11 section two hundred eighty A point twenty-three (280A.23),  
12 subsection two (2), of the Code.

13 Sec. 5. Chapter two hundred seventy-three (273), Code  
14 1977, is amended by adding the following new sections:

15 NEW SECTION. APPROPRIATION FOR REIMBURSEMENT OF  
16 INSTRUCTIONAL COSTS OF CHILDREN IN JUVENILE HOMES. The  
17 administrator of each area education agency shall determine  
18 annually the cost of instruction provided under section two  
19 hundred seventy-three point three (273.3), subsection ten  
20 (10), of the Code to a child of school age maintained in a  
21 juvenile home located in the area. The administrator shall  
22 certify the total yearly audited cost of instruction and the  
23 amount due for instruction, to the superintendent of public  
24 instruction not later than September first of each year for  
25 the preceding fiscal year. The superintendent of public  
26 instruction shall review the amount due and submit a  
27 requisition to the state comptroller. The amount due shall  
28 be paid by the treasurer of state to the area education agency  
29 from any funds in the general fund of the state not otherwise  
30 appropriated upon warrants drawn and signed by the state  
31 comptroller.

32 NEW SECTION. Funds generated for other services under  
33 the provisions of section four hundred forty-two point twenty-  
34 seven (442.27) of the Code and subject to approval under the  
35 provisions of section two hundred seventy-three point nine

1 (273.9), subsection five (5), of the Code shall not be expended  
2 by an area education agency for the purpose of assisting  
3 either a public employer or employee organization in collective  
4 bargaining negotiations under chapter twenty (20) of the Code  
5 if the public employer is a school district, or the employee  
6 organization consists of employees of a school district,  
7 located within the boundaries of the area education agency.

8 NEW SECTION. Boards of directors of area education agencies  
9 shall allocate a portion of the funds generated for other  
10 services under the provisions of section four hundred forty-  
11 two point twenty-seven (442.27) of the Code and subject to  
12 approval under the provisions of section two hundred seventy-  
13 three point nine (273.9), subsection five (5), of the Code  
14 for programs to assist gifted and talented children.

15 For the purposes of this section, "gifted and talented  
16 children" are those identified as possessing outstanding  
17 abilities who are capable of high performance. Gifted and  
18 talented children are children who require differentiated  
19 educational programs or services beyond those provided by  
20 the regular school programs.

21 Gifted and talented children includes those with  
22 demonstrated achievement or potential ability in any two or  
23 more of the following areas:

- 24 1. Intellectual ability.
- 25 2. Creative thinking.
- 26 3. Leadership ability.
- 27 4. Visual or performing arts ability.
- 28 5. Specific ability aptitude.

29 Sec. 6. Section two hundred eighty A point twenty-three  
30 (280A.23), subsection two (2), Code 1977, is amended to read  
31 as follows:

32 2. Change Jointly with the board of directors of the area  
33 education agency of the area, change boundaries of director  
34 districts in the merged areas area after each ~~decennial~~ census;  
35 or after any change in boundaries of the merged area, to

1 compensate for changes in population if such population changes  
2 have taken place, or at any time for the purpose of causing  
3 the boundaries of director districts to coincide, where  
4 feasible, with the boundary lines of election precincts  
5 established pursuant to sections 49.3 to 49.6. However, the  
6 director districts shall in all cases be of approximately  
7 equal population within each merged area.

8 Sec. 7. Section two hundred eighty-one point nine (281.9),  
9 Code 1977, is amended by adding the following new subsection:

10 NEW SUBSECTION. Commencing with the school year beginning  
11 July 1, 1976, costs of special education instructional programs  
12 include the costs of purchase of transportation equipment  
13 to meet the special needs of children requiring special  
14 education. Unencumbered funds generated for special education  
15 instructional programs for the school year beginning July  
16 1, 1975 shall not be expended for such purpose.

17 Commencing with the school year beginning July 1, 1976,  
18 a school district may expend an amount not to exceed two-  
19 sevenths of an amount equal to the district cost of a school  
20 district for the costs of regular classroom instruction of  
21 a child certified under the special education weighting plan  
22 in section two hundred eighty-one point nine (281.9),  
23 subsection one (1), paragraph b, Code 1977, as a handicapped  
24 pupil who is enrolled in a special class, but who receives  
25 part of his or her instruction in a regular classroom.  
26 Unencumbered funds generated for special education instruc-  
27 tional programs for the school year beginning July 1, 1975  
28 shall not be expended for such purpose.

29 Commencing with the school year beginning July 1, 1975,  
30 funds generated for special education instructional programs  
31 under chapters two hundred eighty-one (281) and four hundred  
32 forty-two (442) of the Code shall not be expended for  
33 modifications of school buildings to make them accessible  
34 to children requiring special education.

35 Sec. 8. Chapter two hundred eighty-one (281), Code 1977,

1 is amended by adding the following new section:

2 NEW SECTION. CHILDREN PLACED BY DISTRICT COURT.

3 Notwithstanding the provisions of section two hundred eighty-  
4 two point twenty-seven (282.27) of the Code, a child who has  
5 been identified subsequent to certification to the state  
6 comptroller as requiring special education who has been placed  
7 in a facility or home by the district court, and for whom  
8 parental rights have been terminated by the district court,  
9 shall receive special education programs and services on the  
10 same basis as the programs and services are provided for  
11 children requiring special education who are residents of  
12 the school district in which the child has been placed. The  
13 special education instructional costs shall be certified to  
14 the superintendent of public instruction not later than  
15 September first of each year for the preceding fiscal year  
16 by the area education agency director of special education  
17 of the district in which the child has been placed. The  
18 superintendent of public instruction shall review the costs  
19 and submit a requisition to the state comptroller. The amount  
20 due shall be paid by the treasurer of state to the school  
21 district or agency providing the program from any funds in  
22 the general fund of the state not otherwise appropriated upon  
23 warrants drawn and signed by the state comptroller.

24 Sec. 9. Section two hundred eighty-two point twenty-seven  
25 (282.27), Code 1977, is amended to read as follows:

26 282.27 PAYMENT FOR CERTAIN CHILDREN. When a child  
27 requiring special education is living in a state-supported  
28 institution, charitable institution, or licensed boarding  
29 home as defined in this chapter which does not maintain a  
30 school and the residence of the child requiring special  
31 education is in a school district other than the school  
32 district in which the state-supported institution, charitable  
33 institution, or licensed boarding home is located, the child  
34 is eligible for special education programs and services  
35 provided for children requiring special education who are

1 residents of the school district in which the institution  
2 or boarding home is located. The special education instruc-  
3 tional costs shall be computed by means of weighted enrollment  
4 for that child under the provisions of chapters 273, 281,  
5 and 442 as if that child were a resident of the school district  
6 in which the institution or boarding home is located but the  
7 child shall be included in the enrollment count in the district  
8 of residence in the manner provided in sections 281.9 and  
9 442.4. The costs as computed shall be paid by the district  
10 of residence. No child requiring special education shall  
11 be denied special education programs and services because  
12 of a dispute over determination of residence of that child.  
13 If there is a dispute over the residence of the child cannot  
14 ~~be-determined, the district in which the institution or~~  
15 ~~boarding-home-is-located shall provide the special education~~  
16 ~~programs and services appropriate for that child and shall~~  
17 ~~compute the costs by means of the weighted enrollment and~~  
18 ~~may apply to the school budget review committee for~~  
19 ~~reimbursement until the dispute over residence of the child~~  
20 ~~is resolved,~~ the department of public instruction shall  
21 determine the residence of the child. However, if the special  
22 education instructional costs incurred on behalf of the child  
23 exceed the amount which would be allowed if the child were  
24 provided the programs and services in the district of  
25 residence, the treasurer of the school district of residence  
26 shall make payment at the maximum amount allowed in that  
27 district for a child requiring special education who is  
28 similarly handicapped. If the child requiring special  
29 education is not counted in the weighted enrollment of any  
30 district under section 281.9, and payment is not made by any  
31 district, the district in which the institution or boarding  
32 home is located may make application for reimbursement from  
33 the school budget review committee. For the purposes of this  
34 section, the term "district of residence of the child" means  
35 the residence of the parent or legal guardian, or the location

1 of the district court if the district court is the legal  
2 guardian, of the child.

3 Sec. 10. Section four hundred forty-two point one (442.1),  
4 Code 1977, is amended by adding the following new unnumbered  
5 paragraph:

6 NEW UNNUMBERED PARAGRAPH. The state comptroller shall  
7 reduce the total state aid to be received by a district in  
8 the budget year by the school foundation aid portion of the  
9 unencumbered funds which are generated for special education  
10 instruction and which are not encumbered in the year prior  
11 to the base year. The amount shall be certified to the state  
12 comptroller by the department of public instruction upon  
13 request by the state comptroller. However, the state aid  
14 per pupil received by a school district shall not be reduced  
15 under the provision of this paragraph to less than an amount  
16 equal to the lesser of two hundred dollars per pupil or the  
17 difference between the money raised by the foundation property  
18 tax for the budget year and the district cost for the budget  
19 year.

20 Sec. 11. Section four hundred forty-two point two (442.2),  
21 Code 1977, is amended by adding the following new subsection:

22 NEW SUBSECTION. For the school year beginning July 1,  
23 1977, and for each subsequent school year, if an area education  
24 agency does not serve nonpublic school pupils in a manner  
25 equal to services provided public school pupils for media  
26 and other services, the funds for media services and other  
27 services shall be reduced one time by an amount to compensate  
28 for such reduced services. The media services budget shall  
29 be reduced by an amount equal to the product of the cost per  
30 pupil in basic enrollment for media services in the budget  
31 year times the difference between the enrollment served and  
32 the basic enrollment recorded for the area for the budget  
33 year beginning July 1, 1975. The other services budget shall  
34 be reduced by an amount equal to the product of the cost per  
35 pupil in basic enrollment for other services in the budget

1 year times the difference between the enrollment served and  
2 the basic enrollment recorded for the budget year beginning  
3 July 1, 1975.

4 Notwithstanding the provisions of this subsection, an area  
5 education agency shall distribute to nonpublic schools media  
6 materials purchased wholly or partially with federal funds  
7 in a manner equal to the distribution of such media materials  
8 to public schools.

9 Sec. 12. Section four hundred forty-two point nine (442.9),  
10 subsection one (1), paragraph b, Code 1977, is amended to  
11 read as follows:

12 b. The district cost for the budget year is equal to the  
13 district cost per pupil for the budget year multiplied by  
14 the weighted enrollment, plus the additional cost allocated  
15 to the district under section 442.27 to fund media services  
16 and other services provided through the area education agency  
17 reduced by the amount of unencumbered funds generated for  
18 special education instruction which are not encumbered in  
19 the year prior to the base year and which amount shall be  
20 certified to the state comptroller by the department of public  
21 instruction. A school district may not increase its district  
22 cost for the budget year except to the extent that an excess  
23 tax levy is authorized by the school budget review committee  
24 as provided in section 442.13, subsection 7.

25 Sec. 13. Section two hundred eighty-one point nine (281.9),  
26 subsection four (4), Code 1977, is amended to read as follows:

27 4. On December 1, 1975, ~~and no later than December 1 every~~  
28 ~~two years thereafter, for the school year commencing the~~  
29 ~~following July 1~~ 1977 and each December first thereafter,  
30 the superintendent of public instruction shall report to the  
31 school budget review committee the average costs of providing  
32 instruction for children requiring special education in the  
33 categories of the weighting plan established under this  
34 section, and shall make recommendations to the school budget  
35 review committee for needed alterations to make the weighting

1 plan suitable for subsequent school years. The school budget  
2 review committee shall establish the weighting plan for each  
3 school year ~~after~~ beginning with the school year commencing  
4 July 1, ~~1975~~ 1978, and shall report the plan to the  
5 superintendent of public instruction. The school budget  
6 review committee shall not alter the weighting assigned to  
7 pupils in a regular curriculum, but it may increase or decrease  
8 the weighting assigned to each category of children requiring  
9 special education ~~by not more than two tenths of the weighting~~  
10 ~~assigned to pupils in a regular curriculum~~ as follows:

11 a. To any weight between one and three-tenths and two  
12 and three-tenths for the weighting assigned to children  
13 requiring special education under paragraph b of subsection  
14 one (1) of this section.

15 b. To any weight between one and seven-tenths and two  
16 and seven-tenths for the weighting assigned to children  
17 requiring special education under paragraph c of subsection  
18 one (1) of this section.

19 c. To any weight between three and two-tenths and five  
20 and six-tenths for the weighting assigned to children requiring  
21 special education under paragraph d of subsection one (1)  
22 of this section. The department of public instruction shall  
23 promulgate rules under chapter 17A, to implement the weighting  
24 plan for each year and to assist in identification and proper  
25 indexing of each child in the state who requires special  
26 education.

27 Sec. 14. Section four hundred forty-two point twenty-seven  
28 (442.27), Code 1977, is amended by striking subsections two  
29 (2) and three (3) and inserting in lieu thereof the following:

30 2. For the school year beginning July 1, 1977 and each  
31 succeeding budget year, the total amount funded for each area  
32 for media services excluding the cost for media resource  
33 material shall be the total amount funded in the area for  
34 media service in the base year times the sum of one hundred  
35 percent plus the state percent of growth plus the costs for

1 media resource material for the budget year.

2 Each year subsequent to the school year beginning July  
3 1, 1979, the total amount to be funded for media services,  
4 including the costs for media resource material which shall  
5 only be used for the purchase or replacement of material  
6 required in section two hundred seventy-three point six  
7 (273.6), subsection one (1), paragraphs a, b and c, of the  
8 Code, shall be equal to the budget in the base year in the  
9 area times the sum of one hundred percent plus the state  
10 percent of growth.

11 3. a. However, for the budget year beginning July 1, 1977,  
12 each area in which the amount funded for media services per  
13 pupil without inclusion of the costs for media resource  
14 material is less than the maximum media service cost per pupil  
15 for the enrollment served during the budget year, that area  
16 shall receive additional funding for equalization purposes  
17 as provided in this paragraph. Each such area shall be funded,  
18 in addition to the amount funded under the provisions of  
19 subsection two (2) of this section, an amount equal to one-  
20 third of the difference between the product of the maximum  
21 media service cost per pupil times the enrollment served in  
22 the budget year in the area and that amount the area is  
23 eligible to receive for media services other than for media  
24 resource material under subsection two (2) of this section.  
25 For the budget year beginning July 1, 1978, each area in which  
26 the amount funded for media services, other than for media  
27 resource material, is less than the maximum media service  
28 cost per pupil for the enrollment served in the area in the  
29 budget year, in addition to the amount funded for media  
30 services other than media resource material under the provision  
31 of subsection two (2) of this section, shall be funded at  
32 an amount equal to one-half of the difference between the  
33 product of the maximum media service cost per pupil times  
34 the enrollment served in the budget year in the area and that  
35 amount the district is eligible to receive under subsection

1 two (2) of this section for media services other than for  
2 media resource material. For the budget year beginning July  
3 1, 1979, each area shall be funded at that amount generated  
4 by multiplying the maximum media service cost per pupil times  
5 the enrollment served in the area for the budget year.

6 For the purposes of this section "maximum media service  
7 cost per pupil" means, for the school year beginning July  
8 1, 1977, one hundred percent plus the state percent of growth  
9 times eight dollars without inclusion of the cost for media  
10 resource material. For each succeeding school year prior  
11 to the school year beginning July 1, 1980, the "maximum media  
12 service cost per pupil" without inclusion of the cost of media  
13 resource material shall be equal to the one hundred percent  
14 plus the state percent of growth for the budget year times  
15 the maximum media service cost per pupil for the base year.

16 b. In addition to the funding provided for media services  
17 under subsections one (1) and two (2) of this section and  
18 paragraph a of this subsection, for the school year beginning  
19 July 1, 1977, an amount shall be funded to be added to media  
20 service funds for each area for purchase and replacement of  
21 media resource material required in section two hundred  
22 seventy-three point six (273.6), subsection one (1), paragraphs  
23 a, b and c, of the Code. The amount shall be equal to three  
24 dollars times the enrollment served in the area in the budget  
25 year. For each succeeding school year subsequent to the  
26 school year beginning July 1, 1977, and prior to the school  
27 year beginning July 1, 1980, the amount to fund media resource  
28 material, which shall only be used for the purchase and  
29 replacement of material required in section two hundred  
30 seventy-three point six (273.6), subsection one (1), paragraphs  
31 a, b and c, of the Code, shall be equal to the total amount  
32 funded in the area for media resource material in the base  
33 year times the sum of one hundred percent plus the state  
34 percent of growth.

35 Sec. 15. Section four hundred forty-two point twenty-seven

1 (442.27), subsection five (5), Code 1977, is amended to read  
2 as follows:

3 5. For each succeeding budget year, the total amount  
4 funded in each area for other services shall be the total  
5 amount funded in the area for other services in the base year  
6 times the sum of one hundred percent plus the state percent  
7 of growth. Part of the amount funded for other services may  
8 be used by the area education agencies for nonrecurring media  
9 costs for the school year beginning July 1, ~~1975~~ 1977 and  
10 each year thereafter.

11 Sec. 16. Notwithstanding the provisions of sections two  
12 hundred seventy-three point nine (273.9), subsection three  
13 (3), and four hundred forty-two point seven (442.7), subsection  
14 seven (7), paragraph d, of the Code which provide for an  
15 increase in the allowable growth of each school district to  
16 fund special education support services, for the school year  
17 beginning July 1, 1978 only, the total amount approved by  
18 the department of public instruction for special education  
19 support services in an area shall equal the total amount  
20 approved by the department of public instruction for support  
21 services in that area for the school year beginning July 1,  
22 1977.

23 Sec. 17. This Act, being deemed of immediate importance,  
24 shall take effect and be in force from and after its  
25 publication in The Sun & The Hawkeye Record Herald, a newspaper  
26 published in Mount Vernon, Iowa, and in the Lenox Time Table,  
27 a newspaper published in Lenox, Iowa.

28 EXPLANATION

29 Sections 1 and 3 raise the upper limit of the salary range  
30 for an AEA administrator depending upon the size of the budget  
31 of the AEA and require the approval of those salaries by the  
32 State Board of Public Instruction.

33 Section 2 grants area education agencies corporate status  
34 and the authority to enter into lease-purchase agreements  
35 for sites and buildings with the approval of the State Board

1 of Public Instruction and approval at a referendum.

2 Section 3 and the first new section in section 5 provide  
3 for payment from the state treasury of the costs of instruc-  
4 tion provided by an AEA to children residing in county juvenile  
5 homes. Section 3 also requires approval of the AEA budgets  
6 by the State Board of Public Instruction rather than the  
7 Department of Public Instruction.

8 Sections 4 and 6 require merged area boards to meet jointly  
9 with AEA boards to redraw the boundary lines for their coter-  
10 minous director districts.

11 Section 5 prohibits such funds generated for other services  
12 from being expended for collective bargaining negotiations  
13 in any school district in the AEA and also requires that a  
14 portion of such funds be expended for programs for gifted  
15 and talented children, subject to approval by the State Board.

16 Section 7 allows funds generated for special education  
17 instructional programs beginning with the current school year  
18 to be spent for transportation equipment for special education  
19 children and allows a portion of the cost of a regular school  
20 program to be allocated to the regular program for a child  
21 enrolled in a special education class who is integrated into  
22 the regular program. The section prohibits special education  
23 instructional program dollars from being expended for  
24 modifications of school buildings retroactive to July 1, 1975.

25 Section 8 provides for payment from the state treasury  
26 of the costs of special education programs and services for  
27 children who are placed in a school district by the district  
28 court and for whom parental rights have been terminated.

29 Section 9 grants the Department of Public Instruction the  
30 authority to determine the district of residence of a special  
31 education child living in a state-supported institution,  
32 charitable institution, or licensed boarding home and for  
33 whom there is a dispute over the school district of residence.

34 Sections 10 and 12 require that special education instruc-  
35 tional funds not used by a school district be deducted from

1 the amount of special education instructional funds generated  
2 in the year after the next succeeding year.

3 Section 11 reduces the budgets for media and other services  
4 of an area education agency if the agency reduced media ser-  
5 vices and other services to nonpublic school pupils. It also  
6 requires that any media materials purchased wholly or partially  
7 with federal funds be distributed to nonpublic schools in  
8 the same manner they are distributed to public schools.

9 Section 13 grants the School Budget Review Committee broader  
10 authority to alter the special education weights.

11 Section 14 provides for growth to the media service costs  
12 for each area education agency. It establishes the funding  
13 in the school year beginning July 1, 1977, for media resource  
14 material at three dollars per pupil for the enrollment served  
15 in the area in January 1977. It provides for the growth of  
16 media services equal in percentage to the state percent of  
17 growth, and strikes the current \$8 per pupil limit for media  
18 services. It provides for a rounding up in three years for  
19 all areas and provides that by the school year beginning July  
20 1, 1979, each area shall receive an amount equal to the maximum  
21 media service cost per pupil in the budget year times the  
22 enrollment served in the area as recorded in January 1979.  
23 Subsequent to the school year beginning July 1, 1979, the  
24 total budget for media services, including that portion for  
25 media resource material, will be allowed to grow at a  
26 percentage rate equal to the state percent of growth.

27 Section 15 provides that beginning July 1, 1977 funds  
28 generated for other services can be expended for nonrecurring  
29 media costs.

30 Section 16 freezes for the school year beginning July 1,  
31 1978 only the amount of money approved for special education  
32 support services in an area at the amount approved for the  
33 school year beginning July 1, 1977.

34 Section 17 is the publication clause.

35

HOUSE FILE 463

H-4190

- 1 Amend House File 463 as follows:  
2 1. Page 4, by inserting after line 28 the follow-  
3 ing section:  
4 "Sec. \_\_\_\_\_. Section two hundred eighty point fifteen  
5 (280.15), Code 1977, is amended to read as follows:  
6 280.15 JOINT EMPLOYMENT AND SHARING. Any two  
7 or more public school districts may jointly employ  
8 and share the services of any school personnel, or  
9 acquire and share the use of classrooms, laboratories,  
10 equipment and facilities. Classes and any of grades  
11 kindergarten through eight made available to students  
12 in the manner provided in this section shall be  
13 considered as complying with the requirements of  
14 section two hundred seventy-five point one (275.1)  
15 of the Code relating to the maintenance of twelve  
16 grades by a school district."

H-4190 FILED *Adopted* BY BRANSTAD of Winnebago  
MAY 16, 1977 *5/16 (p. 221)* KRAUSE of Kossuth  
SPEAR of Lee  
SPENCER of Clay  
MILLER of Calhoun

HOUSE FILE 463

H-4161

- 1 Amend House File 463 as follows:  
2 1. Page 8, by striking lines 3 through 19.  
3 2. Page 9, by striking lines 9 through 24.  
4 3. Page 13, by inserting after line 10 the  
5 following section:  
6 "Sec. \_\_\_\_\_. Chapter four hundred forty-two (442),  
7 Code 1977, is amended by adding the following new  
8 section:  
9 NEW SECTION. Except as limited in section seven  
10 (7) of this Act, funds which are generated for special  
11 education under the weighting plan established in  
12 section two hundred eighty-one point nine (281.9)  
13 of the Code which are not expended during the school  
14 year for which they are generated, may be expended  
15 for any special education purpose during any succeeding  
16 school year."  
17 4. By numbering and renumbering sections as  
18 necessary.

H-4161 FILED *L. Withers* BY HORN of Linn  
MAY 12, 1977 *13. 5/17* KOOGLER of Mahaska  
*(p. 2302)*

HOUSE FILE 463

H-4101

- 1 Amend House File 463 as follows:  
2 1. Page 5, line 32, by striking the word  
3 "shall not" and inserting in lieu thereof the  
4 word "may".

H-4101 FILED *Last 5/10* BY DYRLAND of Clayton  
MAY 10, 1977 *(p. 2272)*

HOUSE FILE 463

H-3442

- 1 Amend House File 463 as follows:
- 2 1. Page 1, line 16, by striking the words "after
- 3 approval" and inserting in lieu thereof the words
- 4 "if the purchase price of the property to be acquired
- 5 pursuant to the lease-purchase agreement exceeds five
- 6 thousand dollars, the lease-purchase agreement must
- 7 be approved".

H-3442 FILED - *Adopted* BY HANSEN of O'Brien  
MARCH 29, 1977 *5/3 (18-20)* BYERLY of Polk  
PATCHETT of Johnson

HOUSE FILE 463

H-3509

- 1 Amend House File 463 as follows:
- 2 1. Page 13, by inserting after line 22 the
- 3 following section:
- 4 "Sec. \_\_\_\_\_. Notwithstanding the provisions of
- 5 section two hundred eighty-one point nine (281.9),
- 6 subsection four (4), of the Code which grants the
- 7 school budget review committee the authority to alter
- 8 the special education weighting categories, for the
- 9 school year beginning July 1, 1977, the special
- 10 education weighting categories are the special
- 11 education weighting categories prescribed in section
- 12 two hundred eighty-one point nine (281.9), subsection
- 13 one (1), of the Code."
- 14 2. By numbering and renumbering sections as
- 15 necessary.

H-3509 FILED - *Law 5/7* BY DYRLAND of Clayton  
APRIL 5, 1977 *p. 230 f)*

HOUSE FILE 463

H-3510

- 1 Amend House File 463 as follows:
- 2 1. Page 8, by striking lines 3 through 19.
- 3 2. Page 9, by striking lines 9 through 24.
- 4 3. By renumbering sections as necessary.

H-3510 FILED - *Law 5/7* BY DYRLAND of Clayton  
APRIL 5, 1977 *(p. 230 e)*

HOUSE FILE 463

H-3511

- 1 Amend House File 463 as follows:
- 2 1. Page 13, by striking lines 11 through 22.
- 3 2. By renumbering sections as necessary.

H-3511 FILED - *Law 5/7* BY DYRLAND of Clayton  
APRIL 5, 1977 *(p. 230 e)*

HOUSE FILE 463

H-3985

1 Amend House File 463 as follows:

2 1. Page 13, by inserting after line 10 the  
3 following:

4 "Sec. \_\_\_\_ Chapter four hundred forty-two (442),  
5 Code 1977, is amended by adding the following new  
6 section:

7 NEW SECTION. Notwithstanding the provisions of  
8 chapters two hundred seventy-three (273), two hundred  
9 eighty-one (281), and four hundred forty-two (442)  
10 of the Code, each school district may elect to retain  
11 all funds raised for special education support, media  
12 and other services normally transferred to the area  
13 education agency to fund media, support and other  
14 services. A school district electing to retain such  
15 funds shall submit to the department, prior to  
16 certification of the school budget, upon forms provided  
17 by the department, a notice of the election to retain  
18 funds. The school district shall submit to the area  
19 education agency for approval by the department of  
20 public instruction, program plans of the type required  
21 of the area education agencies for support, media  
22 and other services. School districts electing to  
23 retain funds shall maintain each service at a level  
24 equivalent to that provided by the area education  
25 agency otherwise responsible for the services. A  
26 school district may terminate an election to retain  
27 funds in subsequent years upon forms and in a manner  
28 specified by the department of public instruction  
29 pursuant to rules.

30 A school district retaining funds may contract  
31 with the area education agency to provide support,  
32 media or other services, and unless contracted with  
33 the area education agency the area education agency  
34 shall not provide services for such school district."

H-3985 FILED - *Lost 5/17* BY HORN of Linn  
MAY 4, 1977 (*p. 2310*)

HOUSE FILE 463

H-3982

- 1 Amend House File 463 as follows:  
2 1. Page 8, line 23, by striking the figure "1977"  
3 and inserting in lieu thereof the figure "1978".  
4 2. Page 8, line 33, by striking the figure "1975"  
5 and inserting in lieu thereof the figure "1976".  
6 3. Page 9, line 3, by striking the figure "1975"  
7 and inserting in lieu thereof the figure "1976".  
8 4. Page 10, line 30, by striking the figure "1977"  
9 and inserting in lieu thereof the figure "1978".  
10 5. Page 11, line 3, by striking the figure "1979"  
11 and inserting in lieu thereof the figure "1980".  
12 6. Page 11, line 11, by striking the figure "1977"  
13 and inserting in lieu thereof the figure "1978".  
14 7. Page 11, line 25, by striking the figure "1978"  
15 and inserting in lieu thereof the figure "1979".  
16 8. Page 12, line 3, by striking the figure "1979"  
17 and inserting in lieu thereof the figure "1980".  
18 9. Page 12, line 8, by striking the figure "1977"  
19 and inserting in lieu thereof the figure "1978".  
20 10. Page 12, line 11, by striking the figure  
21 "1980" and inserting in lieu thereof the figure "1981".  
22 11. Page 12, line 19, by striking the figure  
23 "1977" and inserting in lieu thereof the figure "1978".  
24 12. Page 12, line 26, by striking the figure  
25 "1977" and inserting in lieu thereof the figure "1978".  
26 13. page 12, line 27, by striking the figure  
27 "1980" and inserting in lieu thereof the figure "1981".  
28 14. Page 13, line 9, by striking the figure "1977"  
29 and inserting in lieu thereof the figure "1978".  
30 15. Page 13, by inserting after line 22 the  
31 following section:  
32 "Sec. \_\_\_\_ . Sections one (1), two (2), three (3),  
33 four (4), five (5), six (6), eight (8), nine (9),  
34 eleven (11), fourteen (14), and fifteen (15) of this  
35 Act are effective July 1, 1978."

H-3982 FILED - *Lost 5/17* BY HORN of Linn  
MAY 4, 1977 (*p. 2304*) KOOGLER of Mahaska

HOUSE FILE 463

H-3981

- Amend House File 463 as follows:
- |    |   |             |
|----|---|-------------|
| 1  | Amend House File 463 as follows:                    |             |
| 2  | 1. Page 1, by striking lines 1 through 5.           | A           |
| 3  | 2. Page 1, by striking lines 6 through 21.          | B           |
| 4  | 3. Page 1, line 23, by striking the word and        |             |
| 5  | figure "ten (10),".                                 | C           |
| 6  | 4. Page 1, line 23, by striking the word and        |             |
| 7  | figure ", twelve (12),".                            | a - Adopted |
| 8  | 5. Page 1, lines 23 and 24, by striking the words   |             |
| 9  | and figures ", twelve (12), and thirteen (13), and  | D           |
| 10 | inserting in lieu thereof the words and figure "and |             |
| 11 | twelve (12),".                                      |             |
| 12 | 6. Page 1, by striking lines 25 through 34.         | C           |
| 13 | 7. Page 1, by striking line 35.                     |             |
| 14 | 8. Page 2, by striking lines 1 through 24.          | a           |
| 15 | 9. Page 2, by striking lines 25 through 35.         |             |
| 16 | 10. Page 3, by striking line 1.                     | D           |
| 17 | 11. Page 3, by striking lines 2 through 12.         | E           |
| 18 | 12. Page 3, by striking lines 13 and 14.            | F           |
| 19 | 13. Page 3, by striking lines 15 through 31.        | C           |
| 20 | 14. Page 3, by striking lines 32 through 35.        |             |
| 21 | 15. Page 4, by striking lines 1 through 7.          | G           |
| 22 | 16. Page 4, by striking lines 8 through 28.         | H           |
| 23 | 17. Page 4, by striking lines 29 through 35.        |             |
| 24 | 18. Page 5, by striking lines 1 through 7.          | E           |
| 25 | 19. Page 5, by striking lines 8 through 34.         | J           |
| 26 | 20. Page 5, by striking line 35.                    |             |
| 27 | 21. Page 6, by striking lines 1 through 23.         | I           |
| 28 | 22. Page 6, by striking lines 24 through 35.        |             |
| 29 | 23. Page 7, by striking lines 1 through 35.         | K           |
| 30 | 24. Page 8, by striking lines 1 and 2.              |             |
| 31 | 25. Page 8, by striking lines 3 through 19.         | L           |
| 32 | 26. Page 8, by striking lines 20 through 35.        |             |
| 33 | 27. Page 9, by striking lines 1 through 8.          | M           |
| 34 | 28. Page 9, by striking lines 9 through 24.         |             |
| 35 | 29. Page 9, by striking lines 25 through 35.        | L           |
| 36 | 30. Page 10, by striking lines 1 through 26.        | N           |
| 37 | 31. Page 10, by striking lines 27 through 35.       |             |
| 38 | 32. Page 11, by striking lines 1 through 35.        | O           |
| 39 | 33. Page 12, by striking lines 1 through 34.        |             |
| 40 | 34. Page 12, by striking line 35.                   | P           |
| 41 | 35. Page 13, by striking lines 1 through 10.        |             |
| 42 | 36. Page 13, by striking lines 11 through 22.       | Q           |

H-3981 FILED  
MAY 4, 1977

BY HORN of Linn  
KOOGLER of Mahaska

C, D, E, F, G, H, I, J, K,  
L, M, N, O, P, Q - Withdrawn 5/16 (p.p. 2268-69)  
B - Lost 5/16 (p. 2269)  
A - Adopted 5/16 (p. 2270)  
O - Lost 5/16 (2270)  
P - Lost 5/16 (2270)  
Motion to reconsider A 5/16 (p. 2274)  
A - Reconsidered and lost 5/17 (p. 2212)

H-3959

1 Amend House File 463 as follows:

2 1. Page 1, by striking lines 16, 17, and 18 and  
3 inserting in lieu thereof the following:  
4 "subsection seven (7), of the Code. Section two hundred  
5 seventy-seven".

H-3959 FILED - *Withdrawn* BY SCHROEDER of Pottawattamie  
MAY 4, 1977 *5/16 (p. 2270)*

HOUSE FILE 463

H-3955

1 Amend H-3953, filed by Patchett et al, to House  
2 File 463 as follows:

3 1. Page 1, by striking lines 26 through 38 and  
4 inserting in lieu thereof the following: "the school  
5 year beginning July 1, 1978, the total amount for  
6 the state for special education support services shall  
7 be equal to the total amount approved for special  
8 education support services for the base year, minus  
9 the statewide costs approved in the special education  
10 support services budgets of the area education agencies  
11 for transportation of special education pupils for  
12 the school year beginning July 1, 1977, times one  
13 hundred percent plus the state percent of growth.  
14 For each school year thereafter, the total amount  
15 for the state for special education support services  
16 shall be equal to the total amount approved for special  
17 education support services for the base year times  
18 one hundred percent plus the state percent of growth.  
19 The total amount for each area shall be based upon  
20 the amount needed in the area to serve children newly  
21 identified as requiring the services determined by  
22 the department of public instruction pursuant to plans  
23 submitted by the special education director of the  
24 area education agency as required by section 273.5,  
25 which shall be modified as necessary and approved  
26 by the department of public instruction according  
27 to the criteria and limitations of section 273.5 and  
28 chapter 281 and the total amount for the state provided  
29 in this paragraph. The amount of additional".

H-3955 FILED - *Adopted 5/16* BY NORLAND of Worth  
MAY 4, 1977 *(p. 2259)*

HOUSE FILE 463

H-3967

1 Amend H-3953, filed by Patchett et al, to House  
2 File 463 as follows:

3 1. Page 3, lines 5 and 6, by striking the words  
4 "from the general fund of the state".  
5 2. Page 3, line 7, by inserting after the figure  
6 "1978" the words "from funds in the general fund of  
7 the state resulting from reduced state foundation  
8 aid to school districts for the school year beginning  
9 July 1, 1977 because of funds generated for special  
10 education instruction which were not encumbered during  
11 the school year beginning July 1, 1975 pursuant to  
12 section ten (10) of this Act,".  
13 3. Page 3, line 10, by striking the word ", to"  
14 and inserting in lieu thereof the words ". The funds  
15 shall".

H-3967 FILED *Adopted 5/16* BY PATCHETT of Johnson  
MAY 4, 1977 *(p. 2261)*

H-3953

1 Amend House File 463 as follows:

2 1. Page 1, line 34, by striking the word and  
3 figure "six (6)" and inserting in lieu thereof the  
4 word and figure "five (5)".

A

5 2. Page 3, by inserting after line 12 the following  
6 section:

7 "Sec. \_\_\_\_\_. Section two hundred seventy-three point  
8 five (273.5), subsection six (6), Code 1977, is amended  
9 by adding the following new unnumbered paragraph:

B

10 NEW UNNUMBERED PARAGRAPH. For the school year  
11 beginning July 1, 1978, and each succeeding school  
12 year, the support services programs shall not include  
13 any cost of transportation of special education  
14 pupils."

15 3. Page 4, by striking lines 8 through 28.

c

16 4. Page 9, by inserting after line 8 the follow-  
17 ing sections:

18 "Sec. \_\_\_\_\_. Section four hundred forty-two point  
19 seven (442.7), subsection seven (7), paragraph d,  
20 Code 1977, is amended to read as follows:

B

21 d. For each year following the school year  
22 beginning July 1, 1975, by adding to the basic  
23 allowable growth an amount to compensate for the  
24 additional costs of special education support services  
25 provided through the area education agency. The For  
26 the school year beginning July 1, 1978 and each school  
27 year thereafter, the total amount for each area shall  
28 be based upon the amount needed in the area to serve  
29 children newly identified as requiring the services  
30 pursuant to plans submitted by the special education  
31 director of the area education agency as required  
32 by section 273.57, which shall be modified as neces-  
33 sary and approved by the department of public  
34 instruction according to the criteria and limitations  
35 of section 273.5 and chapter 284 equal to the total  
36 amount approved for special education support services  
37 for the base year times one hundred percent plus the  
38 state percent of growth. The amount of additional  
39 allowable growth per pupil for the budget year for  
40 each district in an area shall be determined by  
41 dividing the total amount for the area so determined  
42 by the weighted enrollment of the area for the budget  
43 year.

44 Sec. \_\_\_\_\_. Section four hundred forty-two point  
45 eight (442.8), Code 1977, is amended by adding the  
46 following new unnumbered paragraph:

47 NEW UNNUMBERED PARAGRAPH. For the school year  
48 beginning July 1, 1978, the state cost per pupil in  
49 weighted enrollment shall be reduced by the average  
50 amount per pupil in weighted enrollment by which

1 special education support services of the area  
2 education agencies are reduced for the costs of  
3 transportation of special education pupils for the  
4 school year beginning July 1, 1977.

5 Sec. \_\_\_\_\_. Section four hundred forty-two point  
6 nine (442.9), subsection one (1), paragraph a, Code  
7 1977, is amended to read as follows:

8 a. As used in this chapter, "district cost per  
9 pupil" for the school year beginning July 1, 1974,  
10 and for prior school years means the district cost  
11 per pupil in enrollment, as enrollment was determined  
12 under section 442.4 prior to January 1, 1975, and  
13 "district cost per pupil" for the school year beginning  
14 July 1, 1975, and subsequent school years means district  
15 cost per pupil in weighted enrollment. The district  
16 cost per pupil for the budget year is equal to the  
17 district cost per pupil for the base year plus the  
18 allowable growth. However, for the school year begin-  
19 ning July 1, 1978, the district cost per pupil shall  
20 be reduced by the amount per pupil approved in the  
21 special education support services budget of the area  
22 education agency in which the district is located  
23 for transportation of special education pupils for  
24 the school year beginning July 1, 1977."

25 5. Page 9, by striking lines 25 through 35.

26 6. Page 10, by striking lines 1 through 26.

27 7. Page 13, by inserting after line 10 the follow-  
28 ing section:

29 "Sec. \_\_\_\_\_. Chapter four hundred forty-two (442),  
30 Code 1977, is amended by adding the following new  
31 section:

32 NEW SECTION. It is the intent of the general  
33 assembly that commencing with the school year be-  
34 ginning July 1, 1979 and each school year thereafter,  
35 if the amount allowed under section four hundred  
36 forty-two point seven (442.7) of the Code for an area  
37 for special education support services is inadequate  
38 to meet the needs of children newly-identified as  
39 requiring special education support services in that  
40 area, the general assembly will consider appropriating  
41 additional amounts from the general fund of the state  
42 to the department of public instruction to be allocated  
43 to the area. The department shall submit the request  
44 in writing, supported by program plans submitted by  
45 the director of special education of the area education  
46 agency, as modified and approved by the department,  
47 to the appropriate committees of the general assembly.  
48 The general assembly realizes that such appropria-  
49 tions must be completed early in a legislative ses-  
50 sion in order that the area education agencies can

H-3953

Page 3

1 complete their budgets by the certification date." B

2 8. Page 13, by striking lines 11 through 22.

3 9. Page 13, by inserting after line 22 the

4 following section: E

5 "Sec. \_\_\_\_\_. There is appropriated from the general  
6 fund of the state for the fiscal year commencing July  
7 1, 1977 and ending June 30, 1978 to the school budget  
8 review committee the sum of one million five hundred  
9 thousand (1,500,000) dollars, or so much thereof as  
10 may be necessary, to be distributed by the school  
11 budget review committee as supplemental aid to school  
12 districts which demonstrate unusual need for additional  
13 funds, and such supplemental aid shall be miscellaneous  
14 income and shall not be included in district cost.  
15 Such supplemental aid shall be granted only to school  
16 districts which verify that because of unusual  
17 circumstances expenditures for special education  
18 instruction programs are in excess of funds generated  
19 by the special education weighting plan established  
20 in section two hundred eighty-one point nine (281.9)  
21 of the Code."

22 10. By numbering and renumbering sections as A  
23 necessary.

H-3953 FILED

MAY 3, 1977

- A. Adopted 5/16 (p. 2259)
- B. Adopted 5/16 (p. 2260)
- C. Out of order (p. 2260)
- D. Adopted 5/16 (p. 2260)

BY PATCHETT Of Johnson

STROMER of Hancock

GILSON of Guthrie

DAGGETT of Adams

E. Adopted as amended by 3967 and 4043 5/16 (p. 2261)

HOUSE FILE 463

H-3949

1 Amend House File 463 as follows:

2 1. Page 9, by inserting after line 8 the follow-  
3 ing section:

4 "Sec. \_\_\_\_\_. Section four hundred forty-two point  
5 eight (442.8), Code 1977, is amended by adding the  
6 following new unlettered paragraph:

7 NEW UNLETTERED PARAGRAPH. For the school year  
8 beginning July 1, 1977, the state cost per pupil shall  
9 be increased by an amount equal to the sum of the  
10 average cost per pupil for media and other services  
11 provided through an area education agency under section  
12 two hundred seventy-three point nine (273.9),  
13 subsections four (4) and five (5), of the Code. The  
14 state comptroller shall compute the average cost per  
15 pupil of media and other services to be equal to the  
16 quotient obtained by dividing the sum of the total  
17 cost in the state for all media and other services  
18 to be provided by all area education agencies for  
19 the school year beginning July 1, 1977, by the weighted  
20 enrollment in the state."

21 2. By numbering and renumbering sections as  
22 necessary.

H-3949 FILED - *Lost 5/17*  
MAY 3, 1977 (*p. 2309*)

BY HORN of Linn

HOUSE FILE 463

H-3950

1 Amend House File 463 as follows:

- A 2 1. Page 1, by striking lines 1 through 5.
- 3 2. Page 2, line 5, by striking the figure "279.14"
- B 4 and inserting in lieu thereof the figures and words
- 5 "~~279.14~~ two hundred seventy-nine point twenty (279.20)
- 6 of the Code".
- 7 3. Page 2, by striking lines 7 through 17 and
- 8 inserting in lieu thereof the words "~~salary-range~~
- 9 ~~for-an-area-education-agency-administrator-shall-be~~
- C 10 ~~from-seventeen-thousand-dollars-to-twenty-seven~~
- 11 ~~thousand-five-hundred-dollars-per-annum,-including~~
- 12 ~~additional-benefits,-over-and-above-the-additional~~
- 13 ~~benefits-given-all-full-time-employees,-The~~".
- 14 4. Page 2, line 18, by striking the word and
- 15 figure "section 279.13" and inserting in lieu thereof
- B 16 the words and figures "section sections 279.13 through
- 17 two hundred seventy-nine point nineteen (279.19) of
- 18 the Code".
- A 19 5. Page 2, by striking lines 23 and 24.

H-3950 FILED, A-LOST BY THOMPSON of Polk  
 B-ADOPTED, C-LOST  
 MAY 3, 1977 (p. 1853)

HOUSE FILE 463

H-3952

1 Amend House File 463 as follows:

- 2 1. Page 4, by inserting after line 28 the
- 3 following:
- 4 "NEW SECTION. Effective July 1, 1979, there is
- 5 established the state board for special education
- 6 to be appointed by the governor with the approval
- 7 of two-thirds of the members of the senate. The state
- 8 board shall consist of fifteen members, one from each
- 9 merged area of the state, appointed for four-year
- 10 terms. The state board for special education shall
- 11 establish policy for all special education programs
- 12 in the state and shall be responsible for the
- 13 administration of the Iowa braille and sightsaving
- 14 school and the school for the deaf.
- 15 The department of public instruction shall draft
- 16 a plan for the orderly phaseout of the area education
- 17 agency boards of directors and the establishment of
- 18 a statewide administrative structure for providing
- 19 policy for special education programs and services.
- 20 The plan shall be submitted to the general assembly
- 21 meeting in 1978."

H-3952 FILED - *Not german* BY BYERLY of Polk  
 MAY 3, 1977 5/3 (p. 1855)

H-3948

1 Amend H-3563, \_\_\_\_\_ to House  
2 File 463 as follows:

3 1. Page 1, by inserting after line 49 the follow-  
4 ing amendments:

5 "\_\_\_\_\_. Page 3, line 32, by striking the word "other"  
6 and inserting in lieu thereof the word "educational".

7 "\_\_\_\_\_. Page 4, line 9, by striking the word "other"  
8 and inserting in lieu thereof the word "educational".

9 "\_\_\_\_\_. Page 8, by inserting after line 2 the  
10 following section:

11 "Sec. \_\_\_\_\_. Section four hundred forty-two point  
12 one (442.1), Code 1977, is amended to read as follows:

13 442.1 STATE SCHOOL FOUNDATION PROGRAM. This  
14 chapter establishes a state school foundation program.  
15 For each school year, each school district in the  
16 state is entitled to receive state school foundation  
17 aid, which shall be an amount per pupil equal to the  
18 difference between the amount per pupil of foundation  
19 property tax in the district, and the state foundation  
20 base or the district cost per pupil, whichever is  
21 less. However, if the amount so determined for any  
22 district is less than two hundred dollars per pupil,  
23 the district is entitled to receive not less than  
24 two hundred dollars per pupil. However, if the receipt  
25 of two hundred dollars by a school district plus the  
26 money raised by the foundation property tax exceeds  
27 the maximum allowed district cost for the budget year,  
28 the district shall be entitled to receive in state  
29 foundation aid an amount equal to the difference  
30 between the money raised by the foundation property  
31 tax for the budget year and the district cost for  
32 the budget year. In making computations and payments  
33 under this chapter, except in the case of computations  
34 relating to funding of special education support  
35 services, media services and ~~ether~~ educational services  
36 provided through the area education agencies, the  
37 state comptroller shall round amounts to the nearest  
38 whole dollar."

39 "\_\_\_\_\_. Page 8, by striking line 26 and inserting  
40 in lieu thereof the words "and educational services,  
41 the funds for media services and educational".

42 "\_\_\_\_\_. Page 8, line 33, by striking the word "other"  
43 and inserting in lieu thereof the word "educational".

44 "\_\_\_\_\_. Page 8, line 35, by striking the word "other"  
45 and inserting in lieu thereof the word "educational".

46 "\_\_\_\_\_. Page 9, line 16, by striking the word "other"  
47 and inserting in lieu thereof the words "~~ether~~  
48 educational"."

H-3948 FILED - *Adopted 5/3* BY THOMPSON of Polk  
MAY 3, 1977 (*p. 1854*)

H-3943  
1 Amend House File 463 as follows:  
2 1. Page 13, line 8, by striking the word  
3 "nonrecurring" and inserting in lieu thereof the  
4 word "nonrecurring".

H-3943 FILED - *Lost 5/16* BY BENNETT of Ida  
MAY 3, 1977 (*p. 2273*)

HOUSE FILE 463

H-3942  
1 Amend House File 463 as follows:  
2 1. Page 4, by striking lines 8 through 28.

H-3942 FILED - *Adopted 5/3* BY BROCKETT of Marshall  
MAY 3, 1977 (*p. 1855*)

HOUSE FILE 463

H-3947  
1 Amend House File 463 as follows:  
2 1. Page 6, line 5, by striking the words  
3 "subsequent to certification to the state".  
4 2. Page 6, line 6, by striking the word  
5 "comptroller".

H-3947 FILED - *Adopted 5/16* BY STROMER of Hancock  
MAY 3, 1977 (*p. 2272*)

HOUSE FILE 463

H-3944  
1 Amend House File 463 as follows:  
2 1. Page 2, line 27, by inserting after the figure  
3 "281." the following: "The board shall give notice  
4 of a public hearing on the proposed budget by  
5 publication in an official county newspaper in each  
6 county located wholly or partially in the merged area.  
7 The notice shall specify the date which shall be not  
8 later than November tenth of each year, time, and  
9 location of the public hearing."  
10 2. Page 2, line 27, by striking the word "shall"  
11 and inserting in lieu thereof the words "as approved  
12 by the board shall then".

H-3944 FILED - *Adopted 5/3* BY KRAUSE of Kossuth  
MAY 3, 1977 (*p. 1851*) BRANSTAD of Winnebago

HOUSE FILE 463

H-3946  
1 Amend House File 463 as follows:  
2 1. Page 7, lines 32 and 33, by striking the words  
3 "make application for reimbursement from the school  
4 budget review committee" and inserting in lieu thereof  
5 the words "~~make application for reimbursement from~~  
6 ~~the school budget review committee~~ certify the special  
7 education instructional costs to the superintendent  
8 of public instruction not later than September first  
9 of each year for the preceding fiscal year. The  
10 superintendent of public instruction shall review  
11 the costs and submit a requisition to the state  
12 comptroller. The amount due shall be paid by the  
13 treasurer of state to the district in which the  
14 institution or licensed boarding home is located from  
15 any funds in the general fund of the state not  
16 otherwise appropriated upon warrants drawn and signed  
17 by the state comptroller".

H-3946 FILED - *Adopted 5/16* BY STROMER of Hancock  
(*p. 2273*)

H-3563

1 Amend House File 463 as follows:

2 1. Page 1, by inserting after line 21, the  
3 following section:

4 "Sec. \_\_\_\_\_. Section two hundred seventy-three point  
5 two (273.2), subsection five (5), Code 1977, is amended  
6 to read as follows:

7 5. Other educational programs and services for  
8 children under five years through grade twelve and  
9 children requiring special education as defined in  
10 section 281.2 and for employees of school districts  
11 and area education agencies as approved by the  
12 department of public instruction."

13 2. Page 1, line 23, by inserting after the word  
14 "subsections" the word and figure "five (5),".

15 3. Page 1, by inserting after line 24 the follow-  
16 ing:

17 "5. Be authorized, subject to rules and regulations  
18 of the department of public instruction, to provide  
19 directly or by contractual arrangement with public  
20 or private agencies for special education programs  
21 and services, media services, and ~~ethe~~ educational  
22 programs and services requested by the local boards  
23 of education as provided in this chapter, including  
24 but not limited to contracts for the area education  
25 agency to provide programs or services to the local  
26 school districts and contracts for local school  
27 districts, other educational agencies, and public  
28 and private agencies to provide programs and services  
29 to the local school districts in the area education  
30 agency in lieu of the area education agency providing  
31 such services. Contracts may be made with public  
32 or private agencies located outside the state if the  
33 programs and services comply with the rules of the  
34 department. The cost of such programs and services  
35 for each child shall not exceed the amount of money  
36 available through the area education agency of the  
37 child's residence for each child under chapters 281  
38 and 442."

39 4. Page 3, by inserting after line 12 the following  
40 section:

41 "Sec. \_\_\_\_\_. Section two hundred seventy-three point  
42 nine (273.9), subsection five (5), Code 1977, is  
43 amended to read as follows:

44 5. The ~~costs~~ of educational services provided  
45 through the area education agency shall be funded  
46 within the limitations in section 442.27. The  
47 department of public instruction shall promulgate  
48 rules under chapter 17A, as necessary to implement  
49 performance of its approval duties under this section."

50 5. Page 10, by inserting after line 26 the follow-

1 ing section:

2 "Sec. \_\_\_\_\_. Section four hundred forty-two point  
3 twenty-seven (442.27), unnumbered paragraph one (1),  
4 Code 1977, is amended to read as follows:

5 Media services and ~~ether~~ educational services  
6 provided through the area education agencies shall  
7 be funded, to the extent provided, by an addition  
8 to the district cost of each school district, deter-  
9 mined as follows:"

10 6. Page 13, line 1, by striking the word and  
11 figure "subsection five (5)" and inserting in lieu  
12 thereof the words and figures "subsections four (4)  
13 through nine (9)".

14 7. Page 13, line 1, by striking the word "is"  
15 and inserting in lieu thereof the word "are".

16 8. Page 13, by inserting after line 2 the follow-  
17 ing:

18 "4. For the budget year beginning July 1, 1975,  
19 the total amount funded in each area for ~~ether~~  
20 educational services shall be an amount equal to ten  
21 dollars times the enrollment served in the area in  
22 the budget year."

23 9. Page 13, line 4, by striking the word "other"  
24 and inserting in lieu thereof the words "~~ether~~  
25 educational".

26 10. Page 13, line 5, by striking the word "other"  
27 and inserting in lieu thereof the words "~~ether~~  
28 educational".

29 11. Page 13, line 7, by striking the word "other"  
30 and inserting in lieu thereof the words "~~ether~~  
31 educational".

32 12. Page 13, by inserting after line 10 the follow-  
33 ing:

34 "6. Of the total amounts funded in each area each  
35 year for media services and ~~ether~~ educational ser-  
36 vices, a portion shall be allocated to each district  
37 in the area. The portion to be allocated to each  
38 district in an area shall be the same percentage of  
39 the total amount that the enrollment served in the  
40 budget year in the district is of the enrollment  
41 served in the budget year in the area.

42 7. The portion allocated to each district in an  
43 area each budget year for media services and ~~ether~~  
44 educational services shall be added to the district  
45 cost of that district for the budget year as provided  
46 in section 442.9.

47 8. The department of public instruction and the  
48 state comptroller shall determine the total amounts  
49 funded in each area for media services and ~~ether~~  
50 educational services each year, and the amounts to

1 be allocated to each district. The state comptroller  
2 shall deduct the amounts so calculated for each school  
3 district from the state aid due to the district  
4 pursuant to this chapter and shall pay the amounts  
5 to the districts' area education agencies on a  
6 quarterly basis during each school year. The state  
7 comptroller shall notify each school district the  
8 amount of state aid deducted for this purpose and  
9 the balance which will be paid to the district.  
10 If a district does not qualify for state aid under  
11 this chapter in an amount sufficient to cover the  
12 amount due to its area education agency as calculated  
13 by the state comptroller, the school district shall  
14 pay the deficiency to its area education agency from  
15 other moneys received by the district, on a quarterly  
16 basis during each school year.

17 9. "Enrollment served" means the basic enroll-  
18 ment plus the number of nonpublic school pupils served  
19 with media services or ~~ether~~ educational services,  
20 as applicable, except that if a nonpublic school pupil  
21 receives services through an area other than the area  
22 of the pupil's residence, the pupil shall be deemed  
23 to be served by the area of his residence, which shall  
24 by contractual arrangement reimburse the area through  
25 which the pupil actually receives services. For the  
26 budget year beginning July 1, 1975, the total number  
27 of nonpublic pupils served by each area education  
28 agency and the number of nonpublic school pupils  
29 residing within each school district in the area to  
30 be served by the area education agency for media and  
31 ~~ether~~ educational services shall be submitted by the  
32 department of public instruction to the state  
33 comptroller within one week after this Act is duly  
34 published. For school years subsequent to the school  
35 year beginning July 1, 1975, each school district  
36 shall include in the second Friday in January  
37 enrollment report the number of nonpublic school  
38 pupils within each school district for media and ~~ether~~  
39 educational services served by the area."

40 13. By numbering and renumbering sections as  
41 necessary.

H-3563 FILED - *Adopted as* BY THOMPSON of Polk  
APRIL 12, 1977 *amended by* PATCHETT of Johnson,  
*3948 5/3 (1855)*

HOUSE FILE 463

H-3713

- 1 Amend House File 463 as follows:
- 2 1. Page 8, line 8, by inserting after the word
- 3 "year" the words "beginning July 1, 1977 and each
- 4 budget year thereafter".
- 5 2. Page 8, line 9, by striking the word
- 6 "unencumbered".

H-3713 FILED - *Adopted 5/17* BY PATCHETT of Johnson  
APRIL 21, 1977 (*p. 2303*)

HOUSE FILE 463

H-3912

- 1 Amend House File 463 as follows:
- 2 1. Page 2, line 9, by striking the word "thirty"
- 3 and inserting in lieu thereof the word "thirty-two".
- 4 2. Page 2, by striking lines 10 through 16 and
- 5 inserting in lieu thereof the words "dollars per
- 6 annum, including additional benefits, over and above
- 7 the".

H-3912 FILED - *Lost 5/3* BY BAKER of Buena Vista  
MAY 2, 1977 (*p. 1850*)

1 Amend House File 463 as follows:

2 1. Page 4, by inserting after line 28 the following  
3 section:

4 "Sec. \_\_\_\_\_. Section two hundred seventy-five point  
5 twenty-five (275.25), Code 1977, is amended by striking  
6 the section and inserting in lieu thereof the  
7 following:

8 275.25 ELECTION OF DIRECTORS. If the proposition  
9 to establish a new corporation carries under the  
10 method provided, the board of the reorganized district  
11 shall consist of the members of the boards of the  
12 districts involved in the reorganization who are  
13 residents of the reorganized district until the second  
14 regular school election held thereafter, except as  
15 otherwise provided in this section. Terms of office  
16 of such members shall be extended beyond their  
17 expiration to the organizational meeting after the  
18 second regular school election held thereafter.  
19 Vacancies occurring on the board during the period  
20 shall be filled by appointment of the remaining  
21 members.

22 At the first election at which members will be  
23 elected, three members of the board shall remain in  
24 office, one for a one-year term, one for a two-year  
25 term, and one for a three-year term. The determination  
26 of the members to be retained shall be made by lot.  
27 At the election, one member shall be elected for a  
28 one-year term and one for a two-year term, except  
29 in districts which include all or part of a city of  
30 fifteen thousand or more population and in districts  
31 in which the proposition to establish a new corporation  
32 provides for seven directors, two directors shall  
33 be elected for a three-year term. Provided, however,  
34 that in all community school districts which include  
35 a city of fifteen thousand or more population and  
36 which became effective prior to July 4, 1955, and  
37 in all community school districts containing a city  
38 which has attained a population of fifteen thousand  
39 or more as shown by the most recent decennial federal  
40 census, the board of directors shall consist of seven  
41 members. The county board of supervisors shall canvass  
42 the votes and the county commissioner of elections  
43 report the results to the area education agency  
44 administrator who shall notify the persons who are  
45 elected directors.

46 The board consisting of members of the former  
47 school districts shall organize within fifteen days  
48 following the effective date of the reorganization  
49 upon call of the administrator. The board of directors  
50 shall have complete control of the employment of all

H-3549  
Page 2

- 1 personnel for the newly-formed community school
- 2 district for the ensuing school year. Following the
- 3 organization of the board, the board shall establish
- 4 policy, organize curriculum, enter into contracts
- 5 and complete such other planning and take such action
- 6 as is essential for the efficient management of the
- 7 newly-formed community school district."
- 8 2. By numbering and renumbering sections as
- 9 necessary.

H-3549 FILED - *Not german 5/3* BY SCHROEDER of Pottawattamie  
APRIL 6, 1977 (*p. 1855*)

HOUSE FILE 463

H-3548

- 1 Amend House File 463 as follows:
- 2 1. Page 4, by inserting after line 28 the following
- 3 section:
- 4 "Sec. . Section two hundred seventy-four point
- 5 thirteen (~~274.13~~), Code 1977, is amended by striking
- 6 the section and inserting in lieu thereof the
- 7 following:
- 8 274.13 ATTACHING TERRITORY TO ADJOINING DISTRICT.
- 9 Any portion of the landowners in a school district
- 10 may file a petition with the area education agency
- 11 administrator to include their land or a portion of
- 12 their land within the boundaries of an adjacent school
- 13 district. The area education agency administrator
- 14 shall transmit the petition to the board of directors
- 15 of the area education agency for review. If the board
- 16 approves the transfer, the area education agency
- 17 administrator, following approval by the board of
- 18 the affected adjacent district, shall by a written
- 19 order attach the part thus affected to the adjoining
- 20 school district. One copy of the order shall be
- 21 transmitted to the secretary of each school district
- 22 involved in the transfer who shall record the transfer
- 23 and make the proper designation on the plat of the
- 24 district. One copy of the order shall also be
- 25 transmitted to the department of public instruction."
- 26 2. Page 13, by inserting after line 22 the
- 27 following section:
- 28 "Sec. . Section two hundred seventy-four point
- 29 fourteen (~~274.14~~), Code 1977, is repealed."
- 30 3. By numbering and renumbering sections as
- 31 necessary.

H-3548 FILED - *Filed not* BY SCHROEDER of Pottawattamie  
APRIL 6, 1977 *german 5/3*  
*(p. 1855)*

Date Prepared April 27, 1977

Requested by Representative Patchett

Prepared in regard to H.F. 463, An Act relating to the operation of area education agencies and to make an appropriation. Following is the fiscal effect in dollars of the legislative proposal as required by Joint Rule 16:

Sections 1 and 3 - No fiscal effect

Section 2 Lease-purchase agreements for Area Education Agency facilities. Rent currently paid by AEA's approximately \$1,000,000 per year. Most leases are for ten years.

If AEA's were to lease-purchase facilities, the rent would then be used for the lease-purchase agreement. There would be very little, if any, additional costs.

Section 3.10 Juvenile Home Costs

Des Moines Juvenile Home 1975-76 Instruction Program Cost	\$ 75,000
1976-77 Instruction Program Cost	80,000

Presently funded by AEA.

estimated

Estimated additional costs \$90,000 to \$100,000

Section 3.12 AEA Administrators Salary Range

1976-77 Salaries \$27,500 @ 15 administrators	—	\$412,500
Proposal: Salary \$30,000 @ 8 administrators	\$240,000	
\$28,000 @ 7 administrators	<u>196,000</u>	

\$436,000

Estimated net cost increase \$23,500

Section 8 Children Placed by District Court

There will be very few children identified that the district court will terminate all parental rights.

Estimated Cost \$85,000 (17 children @ \$5,000)

Section 9 Payment for certain children

Reimbursement from School Budget Review Committee estimated at \$75,000 to \$100,000

(15 to 20 children @ \$5,000)

Section 10 and 12 Reduction of State Aid by Unencumbered Special Education Instruction Funds.

The preliminary audit of the Special Education part of the 1975-76 Secretary's Annual Report showed a balance of \$5,388,971.15 of funds generated by local districts for special education instructional programs. Included in this balance are salaries for two months (July and August) and a number of contracts for special education instructional programs that were paid after July 1, 1976. Therefore, the above amount is not a true unencumbered balance.

**Section 13 Broader authority to alter special education weighting.**

The following estimates are based on the January 1977 weighting and the 1977-78 state average cost per pupil. The below estimates do not include weighting of one, and include property tax and foundation aid.

- (a)  $.3 \times 28,794 = 8,638.2 \times \$1343 = \$11,601,102.60$   
 $.7 \times 28,794 = 20,155.8 \times \$1343 = \$27,069,239.40$   
 $1.3 \times 28,794 = 37,432.2 \times \$1343 = \$50,271,444.60$
- (b)  $.7 \times 5,226 = 3,658.2 \times \$1343 = \$ 4,912,962.60$   
 $1.0 \times 5,226 = 5,226 \times \$1343 = \$ 7,018,518.00$   
 $1.7 \times 5,226 = 8,884.2 \times \$1343 = \$11,931,480.60$
- (c)  $2.2 \times 2,063 = 4,538.6 \times \$1343 = \$ 6,095,339.80$   
 $3.2 \times 2,063 = 6,601.6 \times \$1343 = \$ 8,865,948.80$   
 $4.6 \times 2,063 = 9,489.8 \times \$1343 = \$12,744,801.40$

The current weighting is the second level in the above table. This was reduced from the third level by the School Budget Review Committee. The bill permits a wider range of weighting.

**Section 14 Media Funding**

	<u>Est. On</u> <u>H.F. 463</u>	<u>Estimated</u> <u>Net Incr.</u>
Estimated dollar amount to provide allowable growth 7.84% for all fifteen AEA's and removal of the \$8 per pupil limit	\$4,645,626	\$ 142,558
Estimated dollar amount to provide for the first year of the three-year equalization factor	355,052	355,052
Estimated dollar amount to provide for media resource materials based on \$3 per pupil	1,976,259	<u>1,976,259</u>
Total Increase		<u>\$2,473,869</u>

**Section 16 Freeze on Special Education Support Services Funding for one year beginning July 1, 1978.**

The net effect of freezing the 1978-79 Special Education Support Service Budgets at the 1977-78 level will not permit the budgets to increase by at least a minimum of \$4,500,000, causing a possible decrease in support services to special education children.

Source: Department of Public Instruction  
FILED GERRY D. RANKIN  
APRIL 29, 1977 LEGISLATIVE FISCAL BUREAU

Sen. Ed. 5/20/77 Amend per 5644 - Do Pass 1/23  
Budget 1/23 Amend per 5199 - Do Pass 2/16 (361)  
Budget Subcommittee Do Pass 2/7 (p. 252)

HOUSE FILE 463

HOUSE FILE 463

By COMMITTEE ON EDUCATION

HOUSE FILE 463

Budget

Budget Subcommittee on Education

Passed House, Date See Below Passed Senate, Date 2-28-78 (p. 409)

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes 46 Nays 1

Approved July 2-13, 1978

## A BILL FOR

1 An Act relating to the operation of area education agencies

2 and to make an appropriation.

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

4

5

*Conference Committee appointed*

6

*Senators Hillis, chair; Slater, Orr, Haven, and Holden 2/22 (p. 632)*

7

*Representatives Patchett, chair; Norland, Horn, Stromer, Daggert 3/23 (p. 1169)*

8

9

Passed per Conference Committee Report

10

Passed House 4-10-78 (p. 1435) Passed Senate 4-12-78 (p. 841)

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62-25

43-4

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1 Section 1. Section two hundred fifty-seven point ten  
2 (257.10), Code 1977, is amended by adding the following new  
3 subsection:

4 NEW SUBSECTION. Approve the salaries for area education  
5 agency administrators set by the area education agency boards.

6 Sec. 2. Section two hundred seventy-three point two  
7 (273.2), Code 1977, is amended by adding the following new  
8 unnumbered paragraph after unnumbered paragraph one (1).

9 NEW UNNUMBERED PARAGRAPH. An area education agency  
10 established under the provisions of this chapter is a body  
11 politic as a school corporation for the purpose of exercising  
12 powers granted under this chapter, and as such may sue and  
13 be sued. An area education agency may hold property and  
14 execute lease-purchase agreements pursuant to the provisions  
15 of section two hundred seventy-three point three (273.3),  
16 subsection seven (7), of the Code and if the purchase price  
17 of the property to be acquired pursuant to the lease-purchase  
18 agreement exceeds five thousand dollars, the lease-purchase  
19 agreement must be approved at the regular school election  
20 or a special election held throughout the area education  
21 agency. Section two hundred seventy-seven point three (277.3)  
22 of the Code is applicable to an election called under this  
23 section by the board of directors of an area education agency.

5044 >  
24 Sec. 3. Section two hundred seventy-three point two  
25 (273.2), subsection five (5), Code 1977, is amended to read  
26 as follows:

27 5. Other educational programs and services for children  
28 under five years through grade twelve and children requiring  
29 special education as defined in section 281.2 and for employees  
30 of school districts and area education agencies as approved  
31 by the department of public instruction.

32 Sec. 4. Section two hundred seventy-three point three  
33 (273.3), subsections five (5), ten (10), twelve (12), and  
34 thirteen (13), Code 1977, are amended to read as follows:

35 5. Be authorized, subject to rules and regulations of

1 the department of public instruction, to provide directly  
2 or by contractual arrangement with public or private agencies  
3 for special education programs and services, media services,  
4 and ~~other~~ educational programs and services requested by the  
5 local boards of education as provided in this chapter,  
6 including but not limited to contracts for the area education  
7 agency to provide programs or services to the local school  
8 districts and contracts for local school districts, other  
9 educational agencies, and public and private agencies to  
10 provide programs and services to the local school districts  
11 in the area education agency in lieu of the area education  
12 agency providing such services. Contracts may be made with  
13 public or private agencies located outside the state if the  
14 programs and services comply with the rules of the department.  
15 The cost of such programs and services for each child shall  
16 not exceed the amount of money available through the area  
17 education agency of the child's residence for each child under  
18 chapters 281 and 442.

19 10. In any county operating a juvenile home, upon request  
20 of the county board of supervisors ~~in-co-operation-with-and~~  
21 ~~at-the-expense-of-the-school-districts-of-residence-of-the~~  
22 ~~children-residing-in-the-home~~, provide suitable curriculum,  
23 teaching staff, books, supplies, and other necessary materials  
24 for the instruction of children of school age who are  
25 maintained in the juvenile home of the county, as provided  
26 in section 232.21. Reimbursement for the cost of instruction  
27 provided under this section shall be made pursuant to section  
28 five (5) of the Act.

564

29 12. Employ such personnel as may be required, if any,  
30 to carry out the functions of the area education agency which  
31 may include the employment of an administrator who shall  
32 possess a superintendent's certificate issued under the  
33 provisions of section 260.9. The administrator shall be  
34 employed pursuant to the provisions of section 279.14 and  
35 the provisions of sections 279.23, 279.24, and 279.25. The

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1 salary range for an area education agency administrator shall  
2 be ~~from-seventeen-thousand-dollars-to-twenty-seven-thousand~~  
3 five-hundred established at not more than thirty thousand  
4 dollars per-annum, including for each year in which the area  
5 education agency of an administrator has an approved budget  
6 of three million dollars or more and not more than twenty-  
7 eight thousand dollars for each year in which the area  
8 education agency of an administrator has an approved budget  
9 of less than three million dollars. The salary limit shall  
10 include the costs of additional benefits, over and above the  
11 additional benefits given all full-time employees. The  
12 provisions of section 279.13 shall apply to the area educa-  
13 tion agency board and to all teachers employed by the area  
14 education agency. The provisions of sections 279.23, 279.24,  
15 and 279.25 shall apply to the area education board and to  
16 all administrators employed by the area education agency.  
17 Salary rates established by the board shall be subject to  
18 the approval of the state board.

5044

19 13. Prepare an annual budget estimating income and  
20 expenditures for programs and services as provided in sections  
21 273.1 to 273.9 and chapter 281. The board shall give notice  
22 of a public hearing on the proposed budget by publication  
23 in an official county newspaper in each county located wholly  
24 or partially in the merged area. The notice shall specify  
25 the date which shall be not later than November tenth of each  
26 year, time, and location of the public hearing. The proposed  
27 budget as approved by the board shall then be submitted to  
28 the department state board of public instruction, on forms  
29 provided by the department, no later than December 1st  
30 preceding the next fiscal year for approval. The department  
31 state board shall review the proposed budget and shall prior  
32 to January 1st either grant approval or return the budget  
33 without approval with comments of the department state board  
34 included. Any unapproved budget shall be resubmitted to the  
35 department state board for final approval.

5258

1 Sec. 5. Section two hundred seventy-three point three  
2 (273.3), Code 1977, is amended by adding the following new  
3 subsection:

4 NEW SUBSECTION. Jointly with the board of directors of  
5 the area vocational school or area community college of the  
6 area, change the boundaries of director districts in the  
7 merged area after each census or change in boundaries of the  
8 merged area to compensate for changes in population if  
9 population changes have taken place under the provisions of  
10 section two hundred eighty A point twenty-three (280A.23),  
11 subsection two (2), of the Code.

5044

12 Sec. 6. Section two hundred seventy-three point nine  
13 (273.9), subsection five (5), Code 1977, is amended to read  
14 as follows:

5044

15 5. The costs of ~~other~~ educational services provided through  
16 the area education agency shall be funded within the  
17 limitations in section 442.27. The department of public  
18 instruction shall promulgate rules under chapter 17A, as  
19 necessary to implement performance of its approval duties  
20 under this section.

21 Sec. 7. Section two hundred seventy-three point five  
22 (273.5), subsection six (6), Code 1977, is amended by adding  
23 the following new unnumbered paragraph:

24 NEW UNNUMBERED PARAGRAPH. For the school year beginning  
25 July 1, 1978, and each succeeding school year, the support  
26 services programs shall not include any cost of transportation  
27 of special education pupils.

5044

28 Sec. 8. Chapter two hundred seventy-three (273), Code  
29 1977, is amended by adding the following new sections:

5250

30 NEW SECTION. APPROPRIATION FOR REIMBURSEMENT OF  
31 INSTRUCTIONAL COSTS OF CHILDREN IN JUVENILE HOMES. The  
32 administrator of each area education agency shall determine  
33 annually the cost of instruction provided under section two  
34 hundred seventy-three point three (273.3), subsection ten  
35 (10), of the Code to a child of school age maintained in a

1 juvenile home located in the area. The administrator shall  
2 certify the total yearly audited cost of instruction and the  
3 amount due for instruction, to the superintendent of public  
4 instruction not later than September first of each year for  
5 the preceding fiscal year. The superintendent of public  
6 instruction shall review the amount due and submit a  
7 requisition to the state comptroller. The amount due shall  
8 be paid by the treasurer of state to the area education agency  
9 from any funds in the general fund of the state not otherwise  
10 appropriated upon warrants drawn and signed by the state  
11 comptroller.

12 NEW SECTION. Funds generated for educational services  
13 under the provisions of section four hundred forty-two point  
14 twenty-seven (442.27) of the Code and subject to approval  
15 under the provisions of section two hundred seventy-three  
16 point nine (273.9), subsection five (5), of the Code shall  
17 not be expended by an area education agency for the purpose  
18 of assisting either a public employer or employee organization  
19 in collective bargaining negotiations under chapter twenty  
20 (20) of the Code if the public employer is a school district,  
21 or the employee organization consists of employees of a school  
22 district, located within the boundaries of the area education  
23 agency.

24 Sec. 9. Section two hundred eighty point fifteen (280.15),  
25 Code 1977, is amended to read as follows:

26 280.15 JOINT EMPLOYMENT AND SHARING. Any two or more  
27 public school districts may jointly employ and share the  
28 services of any school personnel, or acquire and share the  
29 use of classrooms, laboratories, equipment and facilities.  
30 Classes and any of grades kindergarten through eight made  
31 available to students in the manner provided in this section  
32 shall be considered as complying with the requirements of  
33 section two hundred seventy-five point one (275.1) of the  
34 Code relating to the maintenance of twelve grades by a school  
35 district.

1 Sec. 10. Section two hundred eighty A point twenty-three  
2 (280A.23), subsection two (2), Code 1977, is amended to read  
3 as follows:

4 2. Change Jointly with the board of directors of the area  
5 education agency of the area, change boundaries of director  
6 districts in the merged areas area after each ~~decennial~~ census;  
7 or after any change in boundaries of the merged area, to  
8 compensate for changes in population if such population changes  
9 have taken place, or at any time for the purpose of causing  
10 the boundaries of director districts to coincide, where  
11 feasible, with the boundary lines of election precincts  
12 established pursuant to sections 49.3 to 49.6. However, the  
13 director districts shall in all cases be of approximately  
14 equal population within each merged area.

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15 Sec. 11. Section two hundred eighty-one point nine (281.9),  
16 Code 1977, is amended by adding the following new subsection:  
17 NEW SUBSECTION. Commencing with the school year beginning  
18 July 1, 1976, costs of special education instructional programs  
19 include the costs of purchase of transportation equipment  
20 to meet the special needs of children requiring special  
21 education. Unencumbered funds generated for special education  
22 instructional programs for the school year beginning July  
23 1, 1975 shall not be expended for such purpose.

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24 Commencing with the school year beginning July 1, 1976,  
25 a school district may expend an amount not to exceed two-  
26 sevenths of an amount equal to the district cost of a school  
27 district for the costs of regular classroom instruction of  
28 a child certified under the special education weighting plan  
29 in section two hundred eighty-one point nine (281.9),  
30 subsection one (1), paragraph b, Code 1977, as a handicapped  
31 pupil who is enrolled in a special class, but who receives  
32 part of his or her instruction in a regular classroom.  
33 Unencumbered funds generated for special education  
34 instructional programs for the school year beginning July  
35 1, 1975 shall not be expended for such purpose.

5044 { 1 Commencing with the school year beginning July 1, 1975,  
2 funds generated for special education instructional programs  
3 under chapters two hundred eighty-one (281) and four hundred  
4 forty-two (442) of the Code shall not be expended for  
5 modifications of school buildings to make them accessible  
6 to children requiring special education.

7 Sec. 12. Chapter two hundred eighty-one (281), Code 1977,  
8 is amended by adding the following new section:

9 NEW SECTION. CHILDREN PLACED BY DISTRICT COURT.

10 Notwithstanding the provisions of section two hundred eighty-  
11 two point twenty-seven (282.27) of the Code, a child who has  
12 been identified as requiring special education who has been  
13 placed in a facility or home by the district court, and for  
14 whom parental rights have been terminated by the district  
15 court, shall receive special education programs and services  
16 on the same basis as the programs and services are provided  
17 for children requiring special education who are residents  
18 of the school district in which the child has been placed.  
19 The special education instructional costs shall be certified  
20 to the superintendent of public instruction not later than  
21 September first of each year for the preceding fiscal year  
22 by the area education agency director of special education  
23 of the district in which the child has been placed. The  
24 superintendent of public instruction shall review the costs  
25 and submit a requisition to the state comptroller. The amount  
26 due shall be paid by the treasurer of state to the school  
27 district or agency providing the program from any funds in  
28 the general fund of the state not otherwise appropriated upon  
29 warrants drawn and signed by the state comptroller.

30 Sec. 13. Section two hundred eighty-two point twenty-seven  
31 (282.27), Code 1977, is amended to read as follows:

32 282.27 PAYMENT FOR CERTAIN CHILDREN. When a child  
33 requiring special education is living in a state-supported  
34 institution, charitable institution, or licensed boarding  
35 home as defined in this chapter which does not maintain a

1 school and the residence of the child requiring special  
2 education is in a school district other than the school  
3 district in which the state-supported institution, charitable  
4 institution, or licensed boarding home is located, the child  
5 is eligible for special education programs and services  
6 provided for children requiring special education who are  
7 residents of the school district in which the institution  
8 or boarding home is located. The special education  
9 instructional costs shall be computed by means of weighted  
10 enrollment for that child under the provisions of chapters  
11 273, 281, and 442 as if that child were a resident of the  
12 school district in which the institution or boarding home  
13 is located but the child shall be included in the enrollment  
14 count in the district of residence in the manner provided  
15 in sections 281.9 and 442.4. The costs as computed shall  
16 be paid by the district of residence. No child requiring  
17 special education shall be denied special education programs  
18 and services because of a dispute over determination of  
19 residence of that child. If there is a dispute over the  
20 residence of the child cannot be determined, the district  
21 in which the institution or boarding home is located shall  
22 provide the special education programs and services appropriate  
23 for that child and shall compute the costs by means of the  
24 weighted enrollment and may apply to the school budget review  
25 committee for reimbursement until the dispute over residence  
26 of the child is resolved, the department of public instruction  
27 shall determine the residence of the child. However, if the  
28 special education instructional costs incurred on behalf of  
29 the child exceed the amount which would be allowed if the  
30 child were provided the programs and services in the district  
31 of residence, the treasurer of the school district of residence  
32 shall make payment at the maximum amount allowed in that  
33 district for a child requiring special education who is  
34 similarly handicapped. If the child requiring special  
35 education is not counted in the weighted enrollment of any

1 district under section 281.9, and payment is not made by any  
2 district, the district in which the institution or boarding  
3 home is located may ~~make application for reimbursement from~~  
4 ~~the school budget review committee~~ certify the special  
5 education instructional costs to the superintendent of public  
6 instruction not later than September first of each year for  
7 the preceding fiscal year. The superintendent of public  
8 instruction shall review the costs and submit a requisition  
9 to the state comptroller. The amount due shall be paid by  
10 the treasurer of state to the district in which the institution  
11 or licensed boarding home is located from any funds in the  
12 general fund of the state not otherwise appropriated upon  
13 warrants drawn and signed by the state comptroller. For the  
14 purposes of this section, the term "district of residence  
15 of the child" means the residence of the parent or legal  
16 guardian, or the location of the district court if the district  
17 court is the legal guardian, of the child.

18 Sec. 14. Section four hundred forty-two point one (442.1),  
19 Code 1977, is amended to read as follows:

20 442.1 STATE SCHOOL FOUNDATION PROGRAM. This chapter  
21 establishes a state school foundation program. For each  
22 school year, each school district in the state is entitled  
23 to receive state school foundation aid, which shall be an  
24 amount per pupil equal to the difference between the amount  
25 per pupil of foundation property tax in the district, and  
26 the state foundation base or the district cost per pupil,  
27 whichever is less. However, if the amount so determined for  
28 any district is less than two hundred dollars per pupil, the  
29 district is entitled to receive not less than two hundred  
30 dollars per pupil. However, if the receipt of two hundred  
31 dollars by a school district plus the money raised by the  
32 foundation property tax exceeds the maximum allowed district  
33 cost for the budget year, the district shall be entitled to  
34 receive in state foundation aid an amount equal to the  
35 difference between the money raised by the foundation property

1 tax for the budget year and the district cost for the budget  
2 year. In making computations and payments under this chapter,  
3 except in the case of computations relating to funding of  
4 special education support services, media services and ~~other~~  
5 educational services provided through the area education  
6 agencies, the state comptroller shall round amounts to the  
7 nearest whole dollar.

8 Sec. 15. Section four hundred forty-two point one (442.1),  
9 Code 1977, is amended by adding the following new unnumbered  
10 paragraph:

11 NEW UNNUMBERED PARAGRAPH. The state comptroller shall  
12 reduce the total state aid to be received by a district in  
13 the budget year beginning July 1, 1977 and each budget year  
14 thereafter by the school foundation aid portion of the funds  
15 which are generated for special education instruction and  
16 which are not encumbered in the year prior to the base year.  
17 The amount shall be certified to the state comptroller by  
18 the department of public instruction upon request by the state  
19 comptroller. However, the state aid per pupil received by  
20 a school district shall not be reduced under the provision  
21 of this paragraph to less than an amount equal to the lesser  
22 of two hundred dollars per pupil or the difference between  
23 the money raised by the foundation property tax for the budget  
24 year and the district cost for the budget year.

25 Sec. 16. Section four hundred forty-two point two (442.2),  
26 Code 1977, is amended by adding the following new subsection:

27 NEW SUBSECTION. For the school year beginning July 1,  
28 1977, and for each subsequent school year, if an area education  
29 agency does not serve nonpublic school pupils in a manner  
30 equal to services provided public school pupils for media  
31 and educational services, the funds for media services and  
32 educational services shall be reduced one time by an amount  
33 to compensate for such reduced services. The media services  
34 budget shall be reduced by an amount equal to the product  
35 of the cost per pupil in basic enrollment for media services

1 in the budget year times the difference between the enrollment  
2 served and the basic enrollment recorded for the area for  
3 the budget year beginning July 1, 1975. The educational  
4 services budget shall be reduced by an amount equal to the  
5 product of the cost per pupil in basic enrollment for  
6 educational services in the budget year times the difference  
7 between the enrollment served and the basic enrollment recorded  
8 for the budget year beginning July 1, 1975.

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9 Notwithstanding the provisions of this subsection, an area  
10 education agency shall distribute to nonpublic schools media  
11 materials purchased wholly or partially with federal funds  
12 in a manner equal to the distribution of such media materials  
13 to public schools.

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14 Sec. 17. Section four hundred forty-two point seven  
15 (.442.7), subsection seven (7), paragraph d, Code 1977, is  
16 amended to read as follows:

17 d. For each year following the school year beginning July  
18 1, 1975, by adding to the basic allowable growth an amount  
19 to compensate for the additional costs of special education  
20 support services provided through the area education agency.

21 ~~The~~ For the school year beginning July 1, 1978 and each school  
22 year thereafter, the total amount for each area shall be based  
23 upon the amount needed in the area to serve children newly  
24 identified as requiring the services pursuant to plans  
25 submitted by the special education director of the area  
26 education agency as required by section 273.57 which shall  
27 be modified as necessary and approved by the department of  
28 public instruction according to the criteria and limitations  
29 of section 273.5 and chapter 281 equal to the total amount  
30 approved for special education support services for the base  
31 year times one hundred percent plus the state percent of  
32 growth. The amount of additional allowable growth per pupil  
33 for the budget year for each district in an area shall be  
34 determined by dividing the total amount for the area so  
35 determined by the weighted enrollment of the area for the

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1 Budget year.

2 Sec. 18. Section four hundred forty-two point eight  
3 (442.8), Code 1977, is amended by adding the following new  
4 unnumbered paragraph:

5 NEW UNNUMBERED PARAGRAPH. For the school year beginning  
6 July 1, 1978, the state cost per pupil in weighted enrollment  
7 shall be reduced by the average amount per pupil in weighted  
8 enrollment by which special education support services of  
9 the area education agencies are reduced for the costs of  
10 transportation of special education pupils for the school  
11 year beginning July 1, 1977.

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12 Sec. 19. Section four hundred forty-two point nine (442.9),  
13 subsection one (1), paragraph a, Code 1977, is amended to  
14 read as follows:

15 a. As used in this chapter, "district cost per pupil"  
16 for the school year beginning July 1, 1974, and for prior  
17 school years means the district cost per pupil in enrollment,  
18 as enrollment was determined under section 442.4 prior to  
19 January 1, 1975, and "district cost per pupil" for the school  
20 year beginning July 1, 1975, and subsequent school years means  
21 district cost per pupil in weighted enrollment. The district  
22 cost per pupil for the budget year is equal to the district  
23 cost per pupil for the base year plus the allowable growth.  
24 However, for the school year beginning July 1, 1978, the  
25 district cost per pupil shall be reduced by the amount per  
26 pupil approved in the special education support services  
27 budget of the area education agency in which the district  
28 is located for transportation of special education pupils  
29 for the school year beginning July 1, 1977.

30 Sec. 20. Section four hundred forty-two point nine (442.9),  
31 subsection one (1), paragraph b, Code 1977, is amended to  
32 read as follows:

33 b. The district cost for the budget year is equal to the  
34 district cost per pupil for the budget year multiplied by  
35 the weighted enrollment, plus the additional cost allocated

1 to the district under section 442.27 to fund media services  
2 and ~~other~~ educational services provided through the area  
3 education agency reduced by the amount of unencumbered funds  
4 generated for special education instruction which are not  
5 encumbered in the year prior to the base year and which amount  
6 shall be certified to the state comptroller by the department  
7 of public instruction. A school district may not increase  
8 its district cost for the budget year except to the extent  
9 that an excess tax levy is authorized by the school budget  
10 review committee as provided in section 442.13, subsection  
11 7.

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12 Sec. 21. Section four hundred forty-two point twenty-seven  
13 (442.27), unnumbered paragraph one (1), is amended to read  
14 as follows:

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15 Media services and ~~other~~ educational services provided  
16 through the area education agencies shall be funded, to the  
17 extent provided, by an addition to the district cost of each  
18 school district, determined as follows:

19 Sec. 22. Section four hundred forty-two point twenty-seven  
20 (442.27), Code 1977, is amended by striking subsections two  
21 (2) and three (3) and inserting in lieu thereof the following:

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22 2. For the school year beginning July 1, 1977 and each  
23 succeeding budget year, the total amount funded for each area  
24 for media services excluding the cost for media resource  
25 material shall be the total amount funded in the area for  
26 media service in the base year times the sum of one hundred  
27 percent plus the state percent of growth plus the costs for  
28 media resource material for the budget year.

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29 Each year subsequent to the school year beginning July  
30 1, 1979, the total amount to be funded for media services,  
31 including the costs for media resource material which shall  
32 only be used for the purchase or replacement of material  
33 required in section two hundred seventy-three point six  
34 (273.6), subsection one (1), paragraphs a, b and c, of the  
35 Code, shall be equal to the budget in the base year in the

1 area times the sum of one hundred percent plus the state  
2 percent of growth.

5044-3 3. a. However, for the budget year beginning July 1, 1977,  
4 each area in which the amount funded for media services per  
5 pupil without inclusion of the costs for media resource  
6 material is less than the maximum media service cost per pupil  
7 for the enrollment served during the budget year, that area  
8 shall receive additional funding for equalization purposes  
9 as provided in this paragraph. Each such area shall be funded,  
10 in addition to the amount funded under the provisions of  
11 subsection two (2) of this section, an amount equal to one-  
12 third of the difference between the product of the maximum  
13 media service cost per pupil times the enrollment served in  
14 the budget year in the area and that amount the area is  
15 eligible to receive for media services other than for media  
16 resource material under subsection two (2) of this section.

5044-17 For the budget year beginning July 1, 1978, each area in which  
18 the amount funded for media services, other than for media  
19 resource material, is less than the maximum media service  
20 cost per pupil for the enrollment served in the area in the  
21 budget year, in addition to the amount funded for media  
22 services other than media resource material under the provision  
23 of subsection two (2) of this section, shall be funded at  
24 an amount equal to one-half of the difference between the  
25 product of the maximum media service cost per pupil times  
26 the enrollment served in the budget year in the area and that  
27 amount the district is eligible to receive under subsection  
28 two (2) of this section for media services other than for  
29 media resource material. For the budget year beginning July

5044-30 1, 1979, each area shall be funded at that amount generated  
31 by multiplying the maximum media service cost per pupil times  
32 the enrollment served in the area for the budget year.

33 For the purposes of this section "maximum media service  
34 cost per pupil" means, for the school year beginning July  
5044-35 1, 1977, one hundred percent plus the state percent of growth

1 times eight dollars without inclusion of the cost for media  
2 resource material. For each succeeding school year prior  
5044 - 3 to the school year beginning July 1, 1980, the "maximum media  
4 service cost per pupil" without inclusion of the cost of media  
5 resource material shall be equal to the one hundred percent  
6 plus the state percent of growth for the budget year times  
7 the maximum media service cost per pupil for the base year.

8 b. In addition to the funding provided for media services  
9 under subsections one (1) and two (2) of this section and  
10 paragraph a of this subsection, for the school year beginning  
5044 - 11 July 1, 1977, an amount shall be funded to be added to media  
12 service funds for each area for purchase and replacement of  
13 media resource material required in section two hundred  
14 seventy-three point six (273.6), subsection one (1), paragraphs  
15 a, b and c, of the Code. The amount shall be equal to three  
16 dollars times the enrollment served in the area in the budget  
17 year. For each succeeding school year subsequent to the  
5044 - 18 school year beginning July 1, 1977, and prior to the school  
19 year beginning July 1, 1980, the amount to fund media resource  
20 material, which shall only be used for the purchase and  
21 replacement of material required in section two hundred  
22 seventy-three point six (273.6), subsection one (1), paragraphs  
23 a, b and c, of the Code, shall be equal to the total amount  
24 funded in the area for media resource material in the base  
25 year times the sum of one hundred percent plus the state  
26 percent of growth.

27 Sec. 23. Section four hundred forty-two point twenty-seven  
28 (442.27), subsections four (4) through nine (9),  
29 Code 1977, are amended to read as follows:

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

34 5. For each succeeding budget year, the total amount  
35 funded in each area for other educational services shall be

1 the total amount funded in the area for other educational  
2 services in the base year times the sum of one hundred percent  
3 plus the state percent of growth. Part of the amount funded  
4 for other educational services may be used by the area  
5 education agencies for nonrecurring media costs for the school  
5644 - 6 year beginning July 1, ~~1975~~ 1977 and each year thereafter.

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

14 7. The portion allocated to each district in an area each  
15 budget year for media services and other educational services  
16 shall be added to the district cost of that district for the  
17 budget year as provided in section 442.9.

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

35 9. "Enrollment served" means the basic enrollment plus

1 the number of nonpublic school pupils served with media  
2 services or ~~other~~ educational services, as applicable, except  
3 that if a nonpublic school pupil receives services through  
4 an area other than the area of the pupil's residence, the  
5 pupil shall be deemed to be served by the area of his  
6 residence, which shall by contractual arrangement reimburse  
7 the area through which the pupil actually receives services.  
8 For the budget year beginning July 1, 1975, the total number  
9 of nonpublic pupils served by each area education agency and  
10 the number of nonpublic school pupils residing within each  
11 school district in the area to be served by the area education  
12 agency for media and ~~other~~ educational services shall be  
13 submitted by the department of public instruction to the state  
14 comptroller within one week after this Act is duly published.  
15 For school years subsequent to the school year beginning July  
16 1, 1975, each school district shall include in the second  
17 Friday in January enrollment report the number of nonpublic  
18 school pupils within each school district for media and ~~other~~  
19 educational services served by the area.

20 Sec. 24. Chapter four hundred forty-two (442), Code 1977,  
21 is amended by adding the following new section:

22 NEW SECTION. It is the intent of the general assembly  
23 that commencing with the school year beginning July 1, 1979  
24 and each school year thereafter, if the amount allowed under  
25 section four hundred forty-two point seven (442.7) of the  
26 Code for an area for special education support services is  
27 inadequate to meet the needs of children newly-identified  
28 as requiring special education support services in that area,  
29 the general assembly will consider appropriating additional  
30 amounts from the general fund of the state to the department  
31 of public instruction to be allocated to the area. The  
32 department shall submit the request in writing, supported  
33 by program plans submitted by the director of special education  
34 of the area education agency, as modified and approved by  
35 the department, to the appropriate committees of the general

1 assembly. The general assembly realizes that such appropria-  
2 tions must be completed early in a legislative session in  
3 order that the area education agencies can complete their  
4 budgets by the certification date.

5 Sec. 25. There is appropriated for the fiscal year  
6 commencing July 1, 1977 and ending June 30, 1978 from funds  
7 in the general fund of the state resulting from reduced state  
8 foundation aid to school districts for the school year  
9 beginning July 1, 1977 because of funds generated for special  
10 education instruction which were not encumbered during the  
11 school year beginning July 1, 1975 pursuant to section ten  
12 (10) of this Act, to the school budget review committee the  
13 sum of one million five hundred thousand (1,500,000) dollars,  
14 or so much thereof as may be necessary. The funds shall be  
15 distributed by the school budget review committee as  
16 supplemental aid to school districts which demonstrate unusual  
17 need for additional funds, and such supplemental aid shall  
18 be miscellaneous income and shall not be included in district  
19 cost. Such supplemental aid shall be granted only to school  
20 districts which verify that because of unusual circumstances  
21 expenditures for special education instruction programs are  
22 in excess of funds generated by the special education weighting  
23 plan established in section two hundred eighty-one point nine  
24 (281.9) of the Code and modified by the school budget review  
25 committee for the school year beginning July 1, 1977.

26 Sec. 26. This Act, being deemed of immediate importance,  
27 shall take effect and be in force from and after its  
28 publication in The Sun & The Hawkeye Record Herald, a newspaper  
29 published in Mount Vernon, Iowa, and in the Lenox Time Table,  
30 a newspaper published in Lenox, Iowa.

31 EXPLANATION

32 Sections 1 and 3 raise the upper limit of the salary range  
33 for an AEA administrator depending upon the size of the budget  
34 of the AEA and require the approval of those salaries by the  
35 State Board of Public Instruction.

1 Section 2 grants area education agencies corporate status  
2 and the authority to enter into lease-purchase agreements  
3 for sites and buildings with the approval of the State Board  
4 of Public Instruction and approval at a referendum.

5 Section 3 and the first new section in section 5 provide  
6 for payment from the state treasury of the costs of instruction  
7 provided by an AEA to children residing in county juvenile  
8 homes. Section 3 also requires approval of the AEA budgets  
9 by the State Board of Public Instruction rather than the  
10 Department of Public Instruction.

11 Sections 4 and 6 require merged area boards to meet jointly  
12 with AEA boards to redraw the boundary lines for their  
13 coterminous director districts.

14 Section 5 prohibits such funds generated for other services  
15 from being expended for collective bargaining negotiations  
16 in any school district in the AEA and also requires that a  
17 portion of such funds be expended for programs for gifted  
18 and talented children, subject to approval by the State Board.

19 Section 7 allows funds generated for special education  
20 instructional programs beginning with the current school year  
21 to be spent for transportation equipment for special education  
22 children and allows a portion of the cost of a regular school  
23 program to be allocated to the regular program for a child  
24 enrolled in a special education class who is integrated into  
25 the regular program. The section prohibits special education  
26 instructional program dollars from being expended for  
27 modifications of school buildings retroactive to July 1, 1975.

28 Section 8 provides for payment from the state treasury  
29 of the costs of special education programs and services for  
30 children who are placed in a school district by the district  
31 court and for whom parental rights have been terminated.

32 Section 9 grants the Department of Public Instruction the  
33 authority to determine the district of residence of a special  
34 education child living in a state-supported institution,  
35 charitable institution, or licensed boarding home and for

1 whom there is a dispute over the school district of residence.

2 Sections 10 and 12 require that special education  
3 instructional funds not used by a school district be deducted  
4 from the amount of special education instructional funds  
5 generated in the year after the next succeeding year.

6 Section 11 reduces the budgets for media and other services  
7 of an area education agency if the agency reduced media  
8 services and other services to nonpublic school pupils. It  
9 also requires that any media materials purchased wholly or  
10 partially with federal funds be distributed to nonpublic  
11 schools in the same manner they are distributed to public  
12 schools.

13 Section 13 grants the School Budget Review Committee broader  
14 authority to alter the special education weights.

15 Section 14 provides for growth to the media service costs  
16 for each area education agency. It establishes the funding  
17 in the school year beginning July 1, 1977, for media resource  
18 material at three dollars per pupil for the enrollment served  
19 in the area in January 1977. It provides for the growth of  
20 media services equal in percentage to the state percent of  
21 growth, and strikes the current \$8 per pupil limit for media  
22 services. It provides for a rounding up in three years for  
23 all areas and provides that by the school year beginning July  
24 1, 1979, each area shall receive an amount equal to the maximum  
25 media service cost per pupil in the budget year times the  
26 enrollment served in the area as recorded in January 1979.  
27 Subsequent to the school year beginning July 1, 1979, the  
28 total budget for media services, including that portion for  
29 media resource material, will be allowed to grow at a  
30 percentage rate equal to the state percent of growth.

31 Section 15 provides that beginning July 1, 1977 funds  
32 generated for other services can be expended for nonrecurring  
33 media costs.

34 Section 16 freezes for the school year beginning July 1,  
35 1978 only the amount of money approved for special education

1 support services in an area at the amount approved for the  
2 school year beginning July 1, 1977.

3 Section 17 is the publication clause.

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1 Amend House File 463 as follows:

2 1. Page 9, by inserting after line 24 the  
3 following sections:

4 "Sec. \_\_\_\_\_. Section four hundred forty-two  
5 point ten (442.10), Code 1977, is amended to read  
6 as follows:

7 442.10 MAXIMUM LEVY. For the purpose of  
8 determining the maximum tax levy for the general  
9 fund in a school district, the state comptroller  
10 shall determine the sum of the foundation property  
11 tax levy and the additional property tax levy, in  
12 dollars and cents per thousand dollars of assessed  
13 value. When this total levy exceeds the district  
14 general fund levy for the school year which began  
15 July 1, 1970, he shall adjust the district general  
16 fund levy to a rate equal to the levy for the school  
17 year beginning July 1, 1970, except that an excess  
18 tax levy authorized by the school budget review  
19 committee, as provided in section 442.13, subsection  
20 7, may be added to that rate. However, in making  
21 this adjustment for the school years beginning  
22 July 1, 1975, and July 1, 1976, and the next three  
23 succeeding school years the general fund levy for  
24 each district for the school year which began July  
25 1, 1970, shall be determined by including the levy  
26 certified by the county school system or joint  
27 county system in which the district was located,  
28 for the school year which began July 1, 1970.

29 Sec. \_\_\_\_\_. Section four hundred forty-two  
30 point eleven (442.11), Code 1977, is amended to  
31 read as follows:

32 442.11 GUARANTEED STATE AID. For the school  
33 year beginning July 1, 1972, and for the next ~~four~~  
34 six succeeding school years, the state shall provide  
35 specific funds, called guaranteed state aid, to any  
36 school district in which the amount to be raised  
37 by the maximum levy plus the state school founda-  
38 tion aid, does not meet the district cost.

39 There is hereby appropriated from the general  
40 fund of the state to the department of public  
41 instruction moneys sufficient to pay the guaranteed  
42 state aid provided in this section. The state  
43 comptroller shall pay this aid in installments,  
44 at the same time as the installments of state school  
45 foundation aid are paid."

46 2. By numbering and renumbering sections as  
47 necessary.

4187 FILED - *Not germane* BY PERKINS of Greene  
Y 13, 1977 5/14 (p. 2305) STROMER of Hancock  
MILLER of Calhoun

HOUSE FILE 463

H-4043

- 1 Amend H-3953 filed by Patchett et al to House File
- 2 463 as follows:
- 3 1. Page 3, line 21, by inserting after the word
- 4 "Code" the words "and modified by the school budget
- 5 review committee for the school year beginning July
- 6 1, 1977".

H-4043 FILED - *Adopted* BY STROMER of Hancock  
MAY 6, 1977 *5/16 (p. 2261)*

HOUSE FILE 463

H-4097

- 1 Amend H-3981, filed by Horn and Koogler, to House
- 2 File 463 as follows:
- 3 1. Page 1, by striking lines 9, 10, and 11 and
- 4 inserting in lieu thereof the words and figure "and
- 5 figure "and thirteen (13), "".

H-4097 FILED - *Out of order* BY HORN of Linn  
MAY 10, 1977 *5/16 (p. 2270)* KOOGLER of Mahaska

S-5257

1 Amend S-5044, filed by the Committee on Education,  
2 to House File 463, as amended, passed, and reprinted  
3 by the House, as follows:

4 1. Page 2, by inserting after line 41 the  
5 following:

6 " . Page 6, by inserting after line 14 the  
7 following section:

8 "Sec. . Section two hundred eighty A point  
9 twenty-five (280A.25), subsection two (2), Code 1977,  
10 is amended to read as follows:

11 2. Change boundaries of director districts in  
12 any merged area when the ~~board-of-directors-of-the~~  
13 ~~area commission~~ fails to change boundaries as required  
14 ~~under-section-280A-23, subsection-2~~ by law."

15 2. By numbering and renumbering sections as  
16 necessary.

S-5257 FILED *Adopted 2/28 (p. 408)* BY TOM SLATER  
FEBRUARY 28, 1978

## HOUSE FILE 463

S-5258

1 Amend House File 463, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 3, by striking lines 28 through 35 and  
4 inserting in lieu thereof the following: "the depart-  
5 ment of public instruction, ~~on forms provided by the~~  
6 ~~department, no later than December 1 preceding the~~  
7 ~~next fiscal year for approval. The department shall~~  
8 ~~review the proposed budget and shall prior to January~~  
9 ~~1 either grant approval or return the budget without~~  
10 ~~approval with comments of the department included.~~  
11 ~~Any unapproved budget shall be resubmitted to the~~  
12 ~~department for final approval. and the state comptroller~~  
13 ~~on forms provided by the department of public instruc-~~  
14 ~~tion, no later than December first preceding the next~~  
15 ~~fiscal year, for approval. The department of public~~  
16 ~~instruction and the state comptroller shall review the~~  
17 ~~proposed budget and shall prior to January first~~  
18 ~~either grant approval or return the budget without~~  
19 ~~approval, setting forth the basis of the disapproval.~~  
20 ~~In the event that the department of public instruction~~  
21 ~~and the state comptroller cannot agree together to~~  
22 ~~approve or disapprove the proposed budget, that budget~~  
23 ~~shall be approved or disapproved by the school budget~~  
24 ~~review committee. Any unapproved budget shall be~~  
25 ~~adjusted and resubmitted to the authorities or author-~~  
26 ~~ity last disapproving it."~~

S-5258 FILED & ADOPTED *(p. 408)* BY WILLARD R. HANSEN  
FEBRUARY 28, 1978

DALE L. TIEDEN  
BOB CARR  
BILL HUTCHINS  
CALVIN HULTMAN

HOUSE FILE 463

S-5253

- 1 Amend S-5044, the Committee on Education amendment
- 2 to House File 463 as amended, passed and reprinted by
- 3 the House as follows:
- 4 1. Page 1, by striking lines 3 through 21.

S-5253 FILED & LOST (p. 408) BY EUGENE M. HILL  
FEBRUARY 28, 1978

HOUSE FILE 463

S-5255

- 1 Amend S-5044, filed by the Committee on Education,
- 2 to House File 463, as amended, passed, and reprinted
- 3 by the House, as follows:
- 4 1. Page 5, line 33, by striking the word "seventy-
- 5 five" and inserting in lieu thereof the word "sixty-
- 6 five".
- 7 2. Page 5, line 44, by striking the word "twenty-
- 8 five" and inserting in lieu thereof the word "thirty-
- 9 five".

S-5255 FILED & ADOPTED (p. 408) BY EARL M. WILLITS  
FEBRUARY 28, 1978 WARREN E. CURTIS  
TOM SLATER  
EDGAR H. HOLDEN

S-5249

1 Amend the Committee on Education amendment, S-5044  
 2 to House File 463, as amended, passed and reprinted by  
 3 the House as follows:

4 1. Page 2, by inserting after line 35 the  
 5 following new sections:

6 "Sec. \_\_\_\_\_. Section two hundred seventy-three  
 7 point eight (273.8), subsection one (1), Code 1977 is  
 8 amended to read as follows:

9 1. BOARD OF DIRECTORS. The board of directors of  
 10 an area education agency shall consist of the same  
 11 number of directors as are authorized to serve on the  
 12 board of the merged area under the provisions of  
 13 chapter 280A, within the area being served by the area  
 14 education agency. The members of the area education  
 15 agency board shall be elected from director districts  
 16 in the manner provided in this section. Each director  
 17 shall serve a three-year term which expires on the  
 18 first Monday in October, except that directors elected  
 19 at the initial direct election ~~to take office on~~  
 20 ~~October 7, 1974~~ shall determine their respective terms  
 21 by lot so that the terms of one-third of the members,  
 22 as nearly as may be, shall expire on the first Monday  
 23 of October of each succeeding year.

24 Sec. \_\_\_\_\_. Section two hundred seventy-three point  
 25 eight, (273.8), subsection two (2) shall be amended  
 26 by adding the following new unnumbered paragraphs:

27 The director of any area education agency upon  
 28 receipt of a petition requesting direct election of the  
 29 board and signed by five percent of the eligible voters  
 30 voting in the last merged area election shall submit  
 31 the following question to the voters at the next merged  
 32 area election:

33 "Shall the board of directors of the \_\_\_\_\_ area  
 34 education agency be directly elected by the voters?"

35 If a majority of the voters vote affirmatively, the  
 36 area education agency directors shall thereafter be  
 37 elected directly from director districts which are  
 38 conterminous with the director districts for the election  
 39 of members of the merged area boards under chapter  
 40 two hundred eight A (280A), of the Code.

41 Sec. \_\_\_\_\_. Section two hundred seventy-three point  
 42 eight (273.8), subsection three (3), is amended by adding  
 43 after unnumbered paragraph one (1) the following new  
 44 unnumbered paragraph:

45 For the initial board which is directly elected,  
 46 the location of the organization meeting shall be determined  
 47 by the area education agency administrator.

48 Sec. \_\_\_\_\_. The terms of office of directly elected  
 49 members of the boards of area education agencies shall  
 50 expire one year following the decision by the voters to

1 elect the board by direct election.""

S-5249 FILED & ADOPTED  
FEBRUARY 27, 1978 (p. 400)

BY JAMES M. REDMOND  
C. W. HUTCHINS  
ALVIN V. MILLER  
STEPHEN W. BISENIUS  
ROLF V. CRAFT  
ELIZABETH R. MILLER  
MINNETTE DODERER  
ROBERT M. CARR  
JAMES GALLAGHER

HOUSE FILE 463

S-5251

1 Amend House File 463, as amended, passed and  
2 reprinted by the House, as follows:

3 1. Page 2, line 31, by striking the words "who  
4 shall" and inserting in lieu thereof the words "who  
5 shall".

6 2. Page 2, by striking line 32, and inserting in  
7 lieu thereof the words "~~possess-a-superintendent's~~  
8 ~~certificate-issued-under-the~~".

9 3. Page 2, line 33, by striking the words and  
10 figure "provisions of section 260.9" and inserting in  
11 lieu thereof the words and figure "~~provisions of section~~  
12 260-9".

S-5251 FILED *Adopted 2/28(408)* BY RAY TAYLOR  
FEBRUARY 27, 1978

HOUSE FILE 463

S-5246

1 Amend S-5044, filed by the Committee on Education,  
2 to House File 463, as amended, passed, and reprinted  
3 by the House, as follows:

4 1. Page 1, line 39, by inserting after the word  
5 "agency" the words "except that for the school year  
6 beginning July 1, 1978 only, the salary established for  
7 the administrator may be increased to one hundred five  
8 percent of the salary for the year beginning July 1, 1977  
9 if the administrator's salary for an area education agency  
10 was less than \$27,500 for the year beginning July 1, 1975  
11 and the salary established for the administrator may not  
12 exceed one hundred ten percent of the salary for the  
13 year beginning July 1, 1977 if the administrator's salary  
14 for an area education agency was \$27,500 or more for the  
15 year beginning July 1, 1975".

S-5246 FILED  
FEBRUARY 27, 1978  
RULED OUT OF ORDER (p. 397)

BY EDGAR H. HOLDEN

S-5247

- 1 Amend the Senate Committee on Education amendment  
 2 S-5044, to House File 463, as amended, passed and  
 3 reprinted by the House as follows:
- 4 1. Page 5, by striking lines 15 through 17 and  
 5 inserting in lieu thereof the words "for special edu-  
 6 cation instruction."
  - 7 2. Page 5, by striking lines 22 through 30 and  
 8 inserting in lieu thereof the following: "July 1,  
 9 1975, July 1, 1976, and July 1, 1977, for special edu-  
 10 cation instruction which were not encumbered prior to  
 11 January 1, 1978, or which were not an approved expen-  
 12 diture by the department of public instruction based  
 13 upon applications for approval received by the depart-  
 14 ment prior to January 1, 1978 for programs commenced  
 15 prior to February 1, 1978. The unencumbered special  
 16 education instruction funds shall be those funds  
 17 received for special education instruction programs  
 18 based on funds raised for weighted enrollment in  
 19 excess of the district cost per pupil times the  
 20 adjusted enrollment in the year of receipt."
  - 21 3. Page 5, by striking lines 41 and 42 and  
 22 inserting in lieu thereof the words "for the school  
 23 year beginning July 1, 1978, the state comptroller  
 24 shall reduce for each school district the amount of  
 25 property".
  - 26 4. Page 6, by striking lines 5 through 7 and  
 27 inserting in lieu thereof the words: "year beginning  
 28 July 1, 1977. The property tax to be levied for the  
 29 school district shall be reduced by the unencumbered  
 30 special".

S-5247 FILED & ADOPTED (*p. 400*) BY EARL M. WILLITS  
 FEBRUARY 27, 1978

## HOUSE FILE 463

S-5250

- 1 Amend House File 463, as amended, passed, and re-  
 2 printed by the House, as follows:
- 3 1. Page 4, by inserting after line 27 the following  
 4 section:  
 5 "Sec. \_\_\_\_\_. Section two hundred seventy-three point  
 6 five (273.5), Code 1977, is amended by adding the  
 7 following new subsection:  
 8 NEW SUBSECTION. Insure that each child who received a  
 9 special education program during a base year and who  
 10 is entitled to receive a special education program during  
 11 a budget year commences receiving that program not later  
 12 than the beginning of the second week after the school  
 13 in which the child is enrolled commences its fall semester."
  - 14 2. By numbering and renumbering sections as necessary.

S-5250 FILED *Adopted 2/28 (408)* BY RAY TAYLOR  
 FEBRUARY 27, 1978

1 Amend the Senate Committee on Education amendment,  
2 S-5044, to House File 463, as amended, passed and  
3 reprinted by the Senate as follows:

4 1. By striking page 5, line 12, through page 6,  
5 line 10, and inserting in lieu thereof the following:

6 "1. To prevent local property tax recapture by  
7 the state, this section is enacted to reduce the  
8 school district balances for special education  
9 instruction programs which were not expended for  
10 special education instruction. The unencumbered  
11 special education balances consist of funds received  
12 in state aid and funds levied by local property taxes.  
13 This section reduces state aid by only the state aid  
14 portion of the balances and provides for property  
15 tax reductions for each school district for the school  
16 year beginning July 1, 1978, by the property tax  
17 portion of the unencumbered special education  
18 instruction fund balances levied prior to July 1,  
19 1978 by local school districts.

20 2. For the purposes of this section, "unencumbered  
21 special education instruction funds" means those funds  
22 received by a school district for special education  
23 instruction programs for the school years beginning  
24 July 1, 1975, July 1, 1976, and July 1, 1977, for  
25 special education instruction which were not encumbered  
26 prior to January 1, 1978, or which were not an approved  
27 expenditure by the department of public instruction  
28 based upon applications for approval received by the  
29 department prior to January 1, 1978. The unencumbered  
30 special education instruction funds shall be those  
31 funds received for special education instruction  
32 programs based on funds raised for weighted enrollment  
33 in excess of the district cost per pupil.

34 3. The state comptroller shall reduce the total  
35 state aid to be received by a school district in the  
36 school year beginning July 1, 1978, by the percentage  
37 of the unencumbered special education instruction  
38 funds of the district that the state aid per pupil  
39 in weighted enrollment for the school year beginning  
40 July 1, 1976 is of the district cost per pupil in  
41 weighted enrollment for the school year beginning  
42 July 1, 1976. The state aid per pupil in weighted  
43 enrollment is equal to the difference between the  
44 foundation base for the school year beginning July  
45 1, 1976 and the amount per pupil in weighted enrollment  
46 of foundation property tax for the district for the  
47 school year beginning July 1, 1976, as provided in  
48 section four hundred forty-two point one (442.1) of  
49 the Code. The amount shall be certified to the state  
50 comptroller by the department of public instruction

1 upon request by the state comptroller.

2 4. Notwithstanding the provisions of section four  
3 hundred forty-two point nine (442.9) of the Code,  
4 for the school year beginning July 1, 1978, each  
5 school district shall reduce the amount of property  
6 tax to be levied for the school year by an amount  
7 equal to a percentage of the unencumbered special  
8 education instruction funds. The percentage shall  
9 be equal to the difference between one hundred percent  
10 and the percentage that state aid per pupil in weighted  
11 enrollment is of the district cost per pupil in  
12 weighted enrollment for the school year beginning  
13 July 1, 1976, calculated in subsection three (3) of  
14 this section."

15 2. Page 6, lines 19 and 20, by striking the words  
16 and figures "subsections three (3) and five (5)" and  
17 inserting in lieu thereof the words and figure  
18 "subsection three (3)".

19 3. Correct internal references as necessary in  
20 conformance with this amendment.

S-5244 FILED & LOST (p. 398) BY JOAN ORR

FEBRUARY 27, 1978

*Transferred to recommendations (p. 400)*

*" s/d 2/23(407)*

HOUSE FILE 463

S-5245

1 Amend S-5044, filed by the Committee on Educa-  
2 tion, to House File 463, as amended, passed, and  
3 reprinted by the House, as follows:

4 1. Page 1, by striking lines 30 through 39 and  
5 inserting in lieu thereof the following:

6 "4. Page 3, by striking lines 4 through 10 and  
7 inserting in lieu thereof the words "dollars per  
8 annum, including additional benefits, over and above  
9 the"."

S-5245 FILED & ADOPTED (p. 397) BY ROBERT M. CARR  
FEBRUARY 27, 1978

HOUSE FILE 463

S-5118

1 Amend S-5044, filed by the Committee on Education,  
2 to House File 463, as amended, passed, and reprinted  
3 by the House, as follows:

4 1. Page 1, by inserting after line 25 the  
5 following:

6 "\_\_\_\_\_. Page 2, line 29, by striking the words  
7 ", if any" and inserting in lieu thereof the words  
8 "~~7-if-any~~".

9 \_\_\_\_\_ Page 2, line 31, by striking the word "may"  
10 and inserting in lieu thereof the words "may shall"."

11 2. Page 1, line 39, by inserting after the word  
12 "agency" the words "except that for the school year  
13 beginning July 1, 1979 only, the salary established  
14 for an administrator may be increased by an amount  
15 not exceeding one hundred twenty percent of the salary  
16 paid to the administrator of that area education  
17 agency for the school year beginning July 1, 1975".

S-5118 FILED *A. adopted B. w/d* BY EDGAR H. HOLDEN  
JANUARY 31, 1978 *2/27/P. 396*

HOUSE FILE 463

S-5199

1 Amend the Committee on Education amendment, S-5044,  
2 to House File 463, as amended, passed and reprinted by  
3 the House as follows:

4 1. Page 6, by striking lines 12 and 13 and inserting  
5 in lieu thereof the following: "review committee the  
6 sum of one million three hundred thousand (1,300,000)  
7 dollars, or so much thereof as".

8 2. Page 6, by inserting after line 26 the following  
9 new subsection:

10 "7. There is appropriated to the school budget review  
11 committee the sum of two hundred thousand (200,000)  
12 dollars, or so much thereof as may be necessary for the  
13 fiscal year commencing July 1, 1978 and ending June 30,  
14 1979 from funds in the general fund of the state for either  
15 the purposes set forth in subsection six (6) of this  
16 section or for general fund expenditures of the local  
17 school district as approved by the school budget review  
18 committee."

S-5199 FILED - *adopted 2/27* BY WILLIAM D. PALMER, CHAIRPERSON  
FEBRUARY 16, 1977 *P 396* COMMITTEE ON BUDGET

S-5044

1 Amend House File 463, as amended, passed, and re-  
2 printed by the House, as follows:

3 1. Page 1, by inserting after line 23 the following  
4 section:

5 "Sec. \_\_\_\_\_. Section two hundred seventy-three  
6 point two (273.2), unnumbered paragraph two (2), Code  
7 1977, is amended to read as follows:

8 The area education agency board shall furnish  
9 educational services and programs ~~to the local school~~  
10 ~~districts~~ as provided in sections 273.1 to 273.9 and  
11 chapter 281 to the pupils enrolled in public or  
12 nonpublic schools located within its boundaries which  
5199 { 13 are on the list of approved schools pursuant to section  
14 two hundred fifty-seven point twenty-five (257.25)  
15 of the Code. The programs and services provided shall  
16 be at least commensurate with programs and services  
17 existing on July 1, 1974. The programs and services  
18 provided to pupils enrolled in nonpublic schools shall  
19 be comparable to programs and services provided to  
20 pupils enrolled in public schools within constitutional  
21 guidelines."

22 2. Page 2, lines 27 and 28, by striking the words  
23 and figure "section five (5)" and inserting in lieu  
24 thereof the words and figure "the first new section  
25 in section eight (8)".

5118 { 26 3. Page 2, line 34, by striking the figure "279.14"  
27 and inserting in lieu thereof the words and figures  
28 "279.14 two hundred seventy-nine point twenty (279.20)  
29 of the Code".

30 4. Page 3, by striking lines 3 through 9 and  
31 inserting in lieu thereof the words "five-hundred  
32 dollars-per-annum,-including established by the board  
33 based upon previous experience and education of the  
34 administrator and subject to the limitations provided  
35 in this subsection. The annual salary established  
36 for an administrator shall not exceed one hundred  
37 six percent of the salary granted by the board for  
38 the preceding year for the administrator of that area  
246, 5230, 5118- 39 education agency. The salary shall".

40 5. Page 3, line 24, by striking the words "or  
41 partially".

42 6. Page 4, by striking lines 1 through 11.

43 7. Page 4, by inserting after line 11 the follow-  
44 ing section:

45 "Sec. \_\_\_\_\_. Section two hundred seventy-three point  
46 eight (273.8), subsection two (2), unnumbered  
47 paragraphs three (3) and six (6), Code 1977, are  
48 amended to read as follows:

49 The director district conventions shall be called  
50 and the locations of the conventions shall be

1 determined by the area education agency administrator.  
 2 Annually the director district conventions shall be  
 3 held within two weeks following the regular school  
 4 election. Notice of the time, date and place of the  
 5 a director district ~~conventions~~ convention shall be  
 6 published by the area education agency administrator  
 7 at least forty-five days prior to the day of the  
 8 district conventions in at least one newspaper of  
 9 general circulation in ~~the-merged-area~~ the director  
 10 district. The cost of publication shall be paid by  
 11 the area education agency.

12 A candidate for election to the area education  
 13 agency board may file a statement of candidacy with  
 14 the area education agency secretary at least ten days  
 15 prior to the date of the director district convention,  
 16 on forms prescribed by the department of public  
 17 instruction. The statement of candidacy shall include  
 18 the candidate's name, address and school district.  
 19 The list of candidates shall be sent by the secretary  
 20 of the area education agency by ordinary mail to the  
 21 presidents of the boards of directors of all school  
 22 districts within the director district immediately  
 23 following the last day for filing the statement of  
 24 candidacy. The filing of a statement of candidacy  
 25 shall not be a prerequisite or eligibility requirement  
 26 for election as an area education agency director.  
 27 ~~For the initial director district convention the~~  
 28 ~~statement of candidacy shall be filed with the county~~  
 29 ~~superintendent who determines the date and location~~  
 30 ~~of the district convention and he shall send the list~~  
 31 ~~of candidates to the presidents of the school boards.~~  
 32 Delegates to director district conventions shall not  
 33 be bound by a school board or any school board member  
 34 to pledge their votes to any candidate prior to the  
 35 date of the convention."

36 8. Page 4, by striking lines 21 through 27.

37 9. Page 5, by striking lines 24 through 35.

38 10. Page 6, by striking lines 2 through 14 and  
 39 inserting in lieu thereof the words and figures  
 40 "(280A.23), Code 1977, is amended by striking  
 41 subsection two (2)."

42 11. Page 6, by inserting after line 14 the  
 43 following section:

44 "Sec. \_\_\_\_\_. Chapter two hundred eighty A (280A),  
 45 Code 1977, is amended by adding the following new  
 46 section:

47 NEW SECTION. BOUNDARIES OF DIRECTOR DISTRICTS.  
 48 Boundary lines of director districts in the merged  
 49 areas shall be redrawn after each census to compensate  
 50 for changes in population if such population changes

1 have taken place. A commission for the purpose of  
2 redrawing the boundary lines of the director districts  
3 of a merged area, composed of a member of the board  
4 of directors of each of the school districts located  
5 in the merged area, shall be called by the chairperson  
6 of the board of the merged area as soon as possible  
7 after census information is available. The chairperson  
8 of the board of the merged area shall preside over  
9 the commission but shall not have a vote on the  
10 commission. In votes of the commission, the vote  
11 of the board of the least populous school district  
12 in the merged area shall have a weight of one unit  
13 and the vote of the boards of each of the other school  
14 districts in the merged area shall have a weight which  
15 bears the same proportion to one unit as the population  
16 of the school district bears to the population of  
17 the least populous school district in the merged area.

18 Where feasible, boundary lines of director districts  
19 shall coincide with the boundary lines of election  
20 precincts established pursuant to sections forty-nine  
21 point three (49.3) to forty-nine point six (49.6)  
22 of the Code.

23 Director districts shall be of approximately equal  
24 population within each merged area."

25 12. Page 6, by striking lines 15 through 35.

26 13. Page 7, by striking lines 1 through 6.

27 14. Page 10, by striking lines 8 through 24.

28 15. Page 10, line 28, by striking the figure  
29 "1977" and inserting in lieu thereof the figure "1978".

30 16. Page 10, line 30, by striking the word "equal"  
31 and inserting in lieu thereof the word "comparable".

32 17. Page 11, by inserting after line 8 the follow-  
33 ing:

34 "The provisions of this subsection shall apply  
35 only to media and educational services which cannot  
36 be diverted for religious purposes."

37 18. Page 11, line 12, by striking the word "equal"  
38 and inserting in lieu thereof the word "comparable".

39 19. Page 11, by striking lines 14 through 35.

40 20. Page 12, by striking line 1.

41 21. Page 12, by striking lines 2 through 11.

42 22. Page 12, by striking lines 12 through 29.

43 23. Page 13, by striking lines 3 through 7 and  
44 inserting in lieu thereof the words "education agency.  
45 A school district may not increase".

46 24. Page 13, by inserting before line 12 the  
47 following:

48 "Sec. \_\_\_\_\_. Section four hundred forty-two point  
49 thirteen (442.13), Code 1977, is amended by adding  
50 the following new subsection:

1        NEW SUBSECTION. The committee shall review the  
2 budget of each school district which has a positive  
3 balance of funds raised for weighted enrollment in  
4 excess of the district cost per pupil received for  
5 special education instruction programs which were  
6 not validly encumbered during the school year in which  
7 the funds were received. The committee may reduce  
8 the property tax levy of the school district for the  
9 budget year by the amount of the carryover special  
10 education instruction funds which were property tax  
11 during the year of receipt in the school year prior  
12 to the base year. If the committee reduces the  
13 property tax to be levied, it shall reduce the state  
14 aid to be received by the school district for the  
15 budget year by the state aid portion of the special  
16 education instruction funds carried over from the  
17 school year prior to the base year. The committee  
18 shall notify the comptroller of the combined property  
19 tax and state aid adjustments to be made under this  
20 subsection.

21        Sec. \_\_\_\_\_. Section four hundred forty-two point  
22 thirteen (442.13), subsection five (5), Code 1977,  
23 is amended by adding the following new lettered  
24 paragraph:

25        NEW LETTERED PARAGRAPH. Unusual needs for  
26 additional funds for special education instruction  
27 in excess of the special education instruction funds  
28 generated under the provisions of section two hundred  
29 eighty-one point nine (281.9) of the Code, for  
30 districts that do not carry over a positive balance  
31 of special education instruction funds which were  
32 not encumbered during the year of receipt."

33        25. Page 13, line 22, by striking the figure  
34 "1977" and inserting in lieu thereof the figure "1978".

35        26. Page 13, line 30, by striking the figure  
36 "1979" and inserting in lieu thereof the figure "1980".

37        27. Page 14, line 3, by striking the figure "1977"  
38 and inserting in lieu thereof the figure "1978".

39        28. Page 14, line 17, by striking the figure  
40 "1978" and inserting in lieu thereof the figure "1979".

41        29. Page 14, line 30, by striking the figure  
42 "1979" and inserting in lieu thereof the figure "1980".

43        30. Page 14, line 35, by striking the figure  
44 "1977" and inserting in lieu thereof the figure "1978".

45        31. Page 15, line 3, by striking the figure "1980"  
46 and inserting in lieu thereof the figure "1981".

47        32. Page 15, line 11, by striking the figure  
48 "1977" and inserting in lieu thereof the figure "1978".

49        33. Page 15, line 18, by striking the figure  
50 "1977" and inserting in lieu thereof the figure "1978".

- 1 34. Page 15, line 19, by striking the figure
- 2 "1980" and inserting in lieu thereof the figure "1981".
- 3 35. Page 16, by striking line 6 and inserting
- 4 in lieu thereof the words and figures "year beginning
- 5 July 1, 1975."
- 6 36. Page 17, by striking lines 20 through 35.
- 7 37. Page 18, by striking lines 1 through 4.
- 8 38. Page 18, by striking lines 5 through 25.
- 9 39. Page 18, by inserting before line 26 the
- 10 following:

11 "Sec. \_\_\_\_\_.

12 1. The purpose of this section is to reduce the

13 school district balances for special education

14 instruction programs which were not expended for

15 special education instruction in the year during which

5247 16 the funds were received from state aid or levied in

17 local property taxes.

18 2. For the purposes of this section, "unencumbered

19 special education instruction funds" means those funds

20 received by a school district for special education

21 instruction programs for the school years beginning

22 July 1, 1975 and July 1, 1976, which were not

23 encumbered in the fiscal year during which the funds

24 were received plus the funds raised during the school

25 year beginning July 1, 1977, for special education

5247 26 instruction for pupils which are not provided programs

27 during the school year beginning July 1, 1977 which

28 funds were received for special education instruction

29 programs based on funds raised for weighted enrollment

30 in excess of the district cost per pupil.

31 3. The state comptroller shall reduce the total

32 state aid to be received by a school district in the

5255 33 school year beginning July 1, 1978, by seventy-five

34 percent of the unencumbered special education

35 instruction funds of the district. The amount shall

36 be certified to the state comptroller by the department

37 of public instruction upon request by the state

38 comptroller.

39 4. Notwithstanding the provisions of section four

40 hundred forty-two point nine (442.9) of the Code,

5247 41 for the school year beginning July 1, 1978, each

42 school district shall reduce the amount of property

43 tax to be levied for the school year by an amount

5255- 44 equal to twenty-five percent of the unencumbered

45 special education instruction funds.

46 5. Notwithstanding subsections three (3) and four

47 (4) of this section, a school district receiving the

48 minimum state aid under the provisions of section

49 four hundred forty-two point one (442.1) of the Code,

50 shall have the state aid to be received for the budget

1 year beginning July 1, 1978, reduced by the portion  
 2 of unencumbered special education instruction funds  
 3 that two hundred dollars per pupil is of the school  
 4 district's district cost per pupil for the school  
 5 year beginning July 1, 1977. The school district  
 6 shall have the property tax to be levied for the  
 7 school district reduced by the unencumbered special  
 8 education instruction funds remaining after reduction  
 9 for the state aid portion of such funds as provided  
 10 in this subsection.

11 6. There is appropriated to the school budget  
 12 review committee the sum of one million five hundred  
 13 thousand (1,500,000) dollars, or so much thereof as  
 14 may be necessary for the fiscal year commencing July  
 15 1, 1978 and ending June 30, 1979 from funds in the  
 16 general fund of the state resulting from reduced state  
 17 foundation aid to school districts for the school  
 18 year beginning July 1, 1978 because of the reduction  
 19 of state aid under subsections three (3) and five  
 20 (5) of this section. The funds shall be distributed  
 21 by the school budget review committee as supplemental  
 22 aid to school districts which demonstrate unusual  
 23 need for additional funds for special education  
 24 instruction programs, and such supplemental aid  
 25 shall be miscellaneous income and shall not be included  
 26 in district cost."

27 40. By numbering and renumbering sections as  
 28 necessary.

S-5044 FILED

BY COMMITTEE ON EDUCATION

JANUARY 23, 1978 *Adopted in* JOAN ORR, Chairperson*Amended by 5118A, 5199, 5245, 5247, 5249, 5255, 5257 2/28 (p. 408)*

## HOUSE FILE 463

S-5230

1 Amend S-5044, filed by the Committee on Education,  
 2 to House File 463, as amended, passed, and reprinted  
 3 by the House, as follows:  
 4 1. Page 1, line 39, by inserting after the word  
 5 "agency" the words "except that for the school year  
 6 beginning July 1, 1978 only, the salary established for  
 7 the administrator may be increased to one hundred ten  
 8 percent of the salary for the year beginning July 1, 1977  
 9 if the administrator's salary for an area education agency  
 10 was less than \$27,500 for the year beginning July 1, 1975  
 11 and the salary established for the administrator may not  
 12 exceed one hundred five percent of the salary for the  
 13 year beginning July 1, 1977 if the administrator's salary  
 14 for an area education agency was \$27,500 or more for the  
 15 year beginning July 1, 1975".

S-5230 FILED - *Out of order with* BY EDGAR H. HOLDENFEBRUARY 22, 1978 *Adopted in*

HOUSE FILE 463  
FISCAL NOTE

Date: January 23, 1978  
Requested by: Senator Joan Orr

In compliance with a written request received December 30, 1978, there is hereby submitted a Fiscal Note for House File 463, Amendment S-5044, pursuant to Joint Rule 16. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

House File 463, Amendment S-5044, An Act relating to the operation of area education agencies and to make an appropriation.

Amendment S-5044:

1. Educational Programs and Services Provided by Area Education Agency Board

Same fiscal effect as H.F. 463

2. Cost of Instruction for Children Maintained in Juvenile Home

Same fiscal effect as H.F. 463

4. AEA Administrators Salary Range

1976-77 Salaries	\$27,500 x 15 Administrators	\$412,500
	\$412,500 x 106%	\$437,250

Or, an increase of \$1,250 over the cost of H.F. 463.

14. State Aid -- Reverse Sections 10 and 12 in H.F. 463. State aid would not be reduced by the Unencumbered Special Education Instruction Funds.

15. Media Funding -- Total increase in media funding would be \$2,473,869 or, a reduction of \$160,000 in cost of H.F. 463.

19. & 20. Removes section that freezes the special education support services funding, therefore, there would be no change in present situation.

39.6 The fiscal effect would be an appropriation of 1,500,000 to the school budget review committee to be obtained from state share of funds otherwise expected to be used for special education but not needed for 75/76, 76/77, and 77/78. A January 16 memo from the Comptroller's office estimates these funds will total \$9.3 million.

Gerry Rankin FISCAL DIRECTOR  
Legislative Fiscal Bureau

H-5521

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Amend House File 463, as amended, passed, and re-  
printed by the House, as follows:

1. Page 1, by inserting after line 23 the following  
section:  
"Sec. \_\_\_\_\_. Section two hundred seventy-three  
point two (273.2), unnumbered paragraph two (2), Code  
1977, is amended to read as follows:  
The area education agency board shall furnish  
educational services and programs ~~to the local school  
districts~~ as provided in sections 273.1 to 273.9 and  
chapter 281 to the pupils enrolled in public or  
nonpublic schools located within its boundaries which  
are on the list of approved schools pursuant to section  
two hundred fifty-seven point twenty-five (257.25)  
of the Code. The programs and services provided shall  
be at least commensurate with programs and services  
existing on July 1, 1974. The programs and services  
provided to pupils enrolled in nonpublic schools shall  
be comparable to programs and services provided to  
pupils enrolled in public schools within constitutional  
guidelines."

2. Page 2, lines 27 and 28, by striking the words  
and figure "section five (5)" and inserting in lieu  
thereof the words and figure "the first new section  
in section eight (8)".

3. Page 2, line 29, by striking the words "  
if any" and inserting in lieu thereof the words "if  
any".

4. Page 2, line 31, by striking the word "may"  
and inserting in lieu thereof the words "may shall".

5. Page 2, line 31, by striking the words "who  
shall" and inserting in lieu thereof the words "who  
shall".

6. Page 2, by striking line 32 and inserting in  
lieu thereof the words "possess-a-superintendent's  
certificate-issued-under-the".

7. Page 2, line 33, by striking the words and  
figure "provisions of section 260.9" and inserting  
in lieu thereof the words and figure "provisions-of  
section-260-9".

8. Page 2, line 34, by striking the figure "279.14"  
and inserting in lieu thereof the words and figures  
"279.14 two hundred seventy-nine point twenty (279.20)  
of the Code".

9. Page 3, by striking lines 4 through 10 and  
inserting in lieu thereof the words "dollars per  
annum, including additional benefits, over and above  
the".

10. Page 3, line 24, by striking the words "or  
partially".

1 11. Page 3, by striking lines 28 through 35 and  
2 inserting in lieu thereof the following: "the depart-  
3 ment of public instruction ~~on forms provided by the~~  
4 ~~department, no later than December 1 preceding the~~  
5 ~~next fiscal year for approval. The department shall~~  
6 ~~review the proposed budget and shall prior to January~~  
7 ~~1 either grant approval or return the budget without~~  
8 ~~approval with comments of the department included.~~  
9 ~~Any unapproved budget shall be resubmitted to the~~  
10 ~~department for final approval.~~ and the state  
11 comptroller on forms provided by the department of  
12 public instruction, no later than December first  
13 preceding the next fiscal year, for approval. The  
14 department of public instruction and the state  
15 comptroller shall review the proposed budget and shall  
16 prior to January first either grant approval or return  
17 the budget without approval, setting forth the basis  
18 of the disapproval. In the event that the department  
19 of public instruction and the state comptroller cannot  
20 agree together to approve or disapprove the proposed  
21 budget, that budget shall be approved or disapproved  
22 by the school budget review committee. Any unapproved  
23 budget shall be adjusted and resubmitted to the  
24 authorities or authority last disapproving it."

25 12. Page 4, by striking lines 1 through 11.

26 13. Page 4, by inserting after line 11 the follow-  
27 ing section:

28 "Sec. \_\_\_\_ . Section two hundred seventy-three point  
29 eight (273.8), subsection two (2), unnumbered  
30 paragraphs three (3) and six (6), Code 1977, are  
31 amended to read as follows:

32 The director district conventions shall be called  
33 and the locations of the conventions shall be  
34 determined by the area education agency administrator.  
35 Annually the director district conventions shall be  
36 held within two weeks following the regular school  
37 election. Notice of the time, date and place of ~~the~~  
38 a director district ~~conventions~~ convention shall be  
39 published by the area education agency administrator  
40 at least forty-five days prior to the day of the  
41 district conventions in at least one newspaper of  
42 general circulation in ~~the merged area~~ the director  
43 district. The cost of publication shall be paid by  
44 the area education agency.

45 A candidate for election to the area education  
46 agency board may file a statement of candidacy with  
47 the area education agency secretary at least ten days  
48 prior to the date of the director district convention,  
49 on forms prescribed by the department of public  
50 instruction. The statement of candidacy shall include

1 the candidate's name, address and school district.  
2 The list of candidates shall be sent by the secretary  
3 of the area education agency by ordinary mail to the  
4 presidents of the boards of directors of all school  
5 districts within the director district immediately  
6 following the last day for filing the statement of  
7 candidacy. The filing of a statement of candidacy  
8 shall not be a prerequisite or eligibility requirement  
9 for election as an area education agency director.

10 ~~For the initial director district convention the~~  
11 ~~statement of candidacy shall be filed with the county~~  
12 ~~superintendent who determines the date and location~~  
13 ~~of the district convention and he shall send the list~~  
14 ~~of candidates to the presidents of the school boards.~~  
15 Delegates to director district conventions shall not  
16 be bound by a school board or any school board member  
17 to pledge their votes to any candidate prior to the  
18 date of the convention."

19 Sec. \_\_\_\_\_. Section two hundred seventy-three point  
20 eight (273.8), subsection one (1), Code 1977, is  
21 amended to read as follows:

22 1. BOARD OF DIRECTORS. The board of directors  
23 of an area education agency shall consist of the same  
24 number of directors as are authorized to serve on  
25 the board of the merged area under the provisions  
26 of chapter 280A, within the area being served by the  
27 area education agency. The members of the area  
28 education agency board shall be elected from director  
29 districts in the manner provided in this section.  
30 Each director shall serve a three-year term which  
31 expires on the first Monday in October, except that  
32 directors elected at the initial direct election to  
33 ~~take office on October 7, 1974~~ shall determine their  
34 respective terms by lot so that the terms of one-third  
35 of the members, as nearly as may be, shall expire  
36 on the first Monday of October of each succeeding  
37 year.

38 Sec. \_\_\_\_\_. Section two hundred seventy-three point  
39 eight (273.8), subsection two (2) shall be amended  
40 by adding the following new unnumbered paragraphs:

41 The director of any area education agency upon  
42 receipt of a petition requesting direct election of  
43 the board and signed by five percent of the eligible  
44 voters voting in the last merged area election shall  
45 submit the following question to the voters at the  
46 next merged area election:

47 "Shall the board of directors of the \_\_\_\_\_ area  
48 education agency be directly elected by the voters?"

49 If a majority of the voters vote affirmatively,  
50 the area education agency directors shall thereafter

1 be elected directly from director districts which  
2 are conterminous with the director districts for the  
3 election of members of the merged area boards under  
4 chapter two hundred eighty A (280A), of the Code.

5 Sec. \_\_\_\_\_. Section two hundred seventy-three point  
6 eight (273.8), subsection three (3), is amended by  
7 adding after unnumbered paragraph one (1) the following  
8 new unnumbered paragraph:

9 For the initial board which is directly elected,  
10 the location of the organization meeting shall be  
11 determined by the area education agency administrator.

12 Sec. \_\_\_\_\_. The terms of office of directly elected  
13 members of the boards of area education agencies shall  
14 expire one year following the decision by the voters  
15 to elect the board by direct election."

16 14. Page 4, by striking lines 21 through 27.

17 15. Page 4, by inserting before line 28 the  
18 following section:

19 "Sec. \_\_\_\_\_. Section two hundred seventy-three point  
20 five (273.5), Code 1977, is amended by adding the  
21 following new subsection:

22 NEW SUBSECTION. Insure that each child who received  
23 a special education program during a base year and  
24 who is entitled to receive a special education program  
25 during a budget year commences receiving that program  
26 not later than the beginning of the second week after  
27 the school in which the child is enrolled commences  
28 its fall semester."

29 16. Page 5, by striking lines 24 through 35.

30 17. Page 6, by striking lines 2 through 14 and  
31 inserting in lieu thereof the words and figures  
32 "(280A.23), Code 1977, is amended by striking  
33 subsection two (2)."

34 18. Page 6, by inserting after line 14 the  
35 following section:

36 "Sec. \_\_\_\_\_. Section two hundred eighty A point  
37 twenty-five (280A.25), subsection two (2), Code 1977,  
38 is amended to read as follows:

39 2. Change boundaries of director districts in  
40 any merged area when the ~~board-of-directors-of-the~~  
41 area commission fails to change boundaries as required  
42 ~~under-section-280A-23,-subsection-2~~ by law."

43 19. Page 6, by inserting after line 14 the  
44 following section:

45 "Sec. \_\_\_\_\_. Chapter two hundred eighty A (280A),  
46 Code 1977, is amended by adding the following new  
47 section:

48 NEW SECTION. BOUNDARIES OF DIRECTOR DISTRICTS.  
49 Boundary lines of director districts in the merged  
50 areas shall be redrawn after each census to compensate

1 for changes in population if such population changes  
2 have taken place. A commission for the purpose of  
3 redrawing the boundary lines of the director districts  
4 of a merged area, composed of members of the boards  
5 of directors of each of the school districts located  
6 in the merged area, shall be called by the chairperson  
7 of the board of the merged area as soon as possible  
8 after census information is available. The chairperson  
9 of the board of the merged area shall preside over  
10 the commission but shall not have a vote on the  
11 commission. In votes of the commission, the vote  
12 of the board of the least populous school district  
13 in the merged area shall have a weight of one unit  
14 and the vote of the boards of each of the other school  
15 districts in the merged area shall have a weight which  
16 bears the same proportion to one unit as the population  
17 of the school district bears to the population of  
18 the least populous school district in the merged area.

19 Where feasible, boundary lines of director districts  
20 shall coincide with the boundary lines of election  
21 precincts established pursuant to sections forty-nine  
22 point three (49.3) to forty-nine point six (49.6)  
23 of the Code.

24 Director districts shall be of approximately equal  
25 population within each merged area."

- 26 20. Page 6, by striking lines 15 through 35.
- 27 21. Page 7, by striking lines 1 through 6.
- 28 22. Page 10, by striking lines 8 through 24.
- 29 23. Page 10, line 28, by striking the figure  
30 "1977" and inserting in lieu thereof the figure "1978".
- 31 24. Page 10, line 30, by striking the word "equal"  
32 and inserting in lieu thereof the word "comparable".
- 33 25. Page 11, by inserting after line 8 the follow-  
34 ing:  
35 "The provisions of this subsection shall apply  
36 only to media and educational services which cannot  
37 be diverted for religious purposes."  
38 26. Page 11, line 12, by striking the word "equal"  
39 and inserting in lieu thereof the word "comparable".  
40 27. Page 11, by striking lines 14 through 35.  
41 28. Page 12, by striking line 1.  
42 29. Page 12, by striking lines 2 through 11.  
43 30. Page 12, by striking lines 12 through 29.  
44 31. Page 13, by striking lines 3 through 7 and  
45 inserting in lieu thereof the words "education agency.  
46 A school district may not increase".  
47 32. Page 13, by inserting before line 12 the  
48 following:  
49 "Sec. \_\_\_\_\_. Section four hundred forty-two point  
50 thirteen (442.13), Code 1977, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. The committee shall review the  
3 budget of each school district which has a positive  
4 balance of funds raised for weighted enrollment in  
5 excess of the district cost per pupil received for  
6 special education instruction programs which were  
7 not validly encumbered during the school year in which  
8 the funds were received. The committee may reduce  
9 the property tax levy of the school district for the  
10 budget year by the amount of the carryover special  
11 education instruction funds which were property tax  
12 during the year of receipt in the school year prior  
13 to the base year. If the committee reduces the  
14 property tax to be levied, it shall reduce the state  
15 aid to be received by the school district for the  
16 budget year by the state aid portion of the special  
17 education instruction funds carried over from the  
18 school year prior to the base year. The committee  
19 shall notify the comptroller of the combined property  
20 tax and state aid adjustments to be made under this  
21 subsection.

22 Sec. \_\_\_\_\_. Section four hundred forty-two point  
23 thirteen (442.13), subsection five (5), Code 1977,  
24 is amended by adding the following new lettered  
25 paragraph:

26 NEW LETTERED PARAGRAPH. Unusual needs for  
27 additional funds for special education instruction  
28 in excess of the special education instruction funds  
29 generated under the provisions of section two hundred  
30 eighty-one point nine (281.9) of the Code, for  
31 districts that do not carry over a positive balance  
32 of special education instruction funds which were  
33 not encumbered during the year of receipt."

34 33. Page 13, line 22, by striking the figure  
35 "1977" and inserting in lieu thereof the figure "1978".

36 34. Page 13, line 30, by striking the figure  
37 "1979" and inserting in lieu thereof the figure "1980".

38 35. Page 14, line 3, by striking the figure "1977"  
39 and inserting in lieu thereof the figure "1978".

40 36. Page 14, line 17, by striking the figure  
41 "1978" and inserting in lieu thereof the figure "1979".

42 37. Page 14, line 30, by striking the figure  
43 "1979" and inserting in lieu thereof the figure "1980".

44 38. Page 14, line 35, by striking the figure  
45 "1977" and inserting in lieu thereof the figure "1978".

46 39. Page 15, line 3, by striking the figure "1980"  
47 and inserting in lieu thereof the figure "1981".

48 40. Page 15, line 11, by striking the figure  
49 "1977" and inserting in lieu thereof the figure "1978".

50 41. Page 15, line 18, by striking the figure

- 1 "1977" and inserting in lieu thereof the figure "1978".  
2 42. Page 15, line 19, by striking the figure  
3 "1980" and inserting in lieu thereof the figure "1981".  
4 43. Page 16, by striking line 6 and inserting  
5 in lieu thereof the words and figures "year beginning  
6 July 1, 1975."  
7 44. Page 17, by striking lines 20 through 35.  
8 45. Page 18, by striking lines 1 through 4.  
9 46. Page 18, by striking lines 5 through 25.  
10 47. Page 18, by inserting before line 26 the  
11 following:  
12 "Sec. \_\_\_\_."  
13 1. The purpose of this section is to reduce the  
14 school district balances for special education  
15 instruction programs which were not expended for  
16 special education instruction.  
17 2. For the purposes of this section, "unencumbered  
18 special education instruction funds" means those funds  
19 received by a school district for special education  
20 instruction programs for the school years beginning  
21 July 1, 1975, July 1, 1976, and July 1, 1977, for  
22 special education instruction which were not encumbered  
23 prior to January 1, 1978, or which were not an approved  
24 expenditure by the department of public instruction  
25 based upon applications for approval received by the  
26 department prior to January 1, 1978 for programs  
27 commenced prior to February 1, 1978. The unencumbered  
28 special education instruction funds shall be those  
29 funds received for special education instruction  
30 programs based on funds raised for weighted enrollment  
31 in excess of the district cost per pupil times the  
32 adjusted enrollment in the year of receipt.  
33 3. The state comptroller shall reduce the total  
34 state aid to be received by a school district in the  
35 school year beginning July 1, 1978, by sixty-five  
36 percent of the unencumbered special education  
37 instruction funds of the district. The amount shall  
38 be certified to the state comptroller by the department  
39 of public instruction upon request by the state  
40 comptroller.  
41 4. Notwithstanding the provisions of section four  
42 hundred forty-two point nine (442.9) of the Code,  
43 for the school year beginning July 1, 1978, the state  
44 comptroller shall reduce for each school district  
45 the amount of property tax to be levied for the school  
46 year by an amount equal to thirty-five percent of  
47 the unencumbered special education instruction funds.  
48 5. Notwithstanding subsections three (3) and four  
49 (4) of this section, a school district receiving the  
50 minimum state aid under the provisions of section

1 four hundred forty-two point one (442.1) of the Code,  
2 shall have the state aid to be received for the budget  
3 year beginning July 1, 1978, reduced by the portion  
4 of unencumbered special education instruction funds  
5 that two hundred dollars per pupil is of the school  
6 district's district cost per pupil for the school  
7 year beginning July 1, 1977. The property tax to  
8 be levied for the school district shall be reduced  
9 by the unencumbered special education instruction  
10 funds remaining after reduction for the state aid  
11 portion of such funds as provided in this subsection.

12 6. There is appropriated to the school budget  
13 review committee the sum of one million three hundred  
14 thousand (1,300,000) dollars, or so much thereof as  
15 may be necessary for the fiscal year commencing July  
16 1, 1978 and ending June 30, 1979 from funds in the  
17 general fund of the state resulting from reduced state  
18 foundation aid to school districts for the school  
19 year beginning July 1, 1978 because of the reduction  
20 of state aid under subsections three (3) and five  
21 (5) of this section. The funds shall be distributed  
22 by the school budget review committee as supplemental  
23 aid to school districts which demonstrate unusual  
24 need for additional funds for special education  
25 instructional programs, and such supplemental aid  
26 shall be miscellaneous income and shall not be included  
27 in district cost.

28 7. There is appropriated to the school budget  
29 review committee the sum of two hundred thousand  
30 (200,000) dollars, or so much thereof as may be  
31 necessary for the fiscal year commencing July 1, 1978  
32 and ending June 30, 1979 from funds in the general  
33 fund of the state for either the purposes set forth  
34 in subsection six (6) of this section or for general  
35 fund expenditures of the local school district as  
36 approved by the school budget review committee."

37 4C. By numbering and renumbering sections as  
38 necessary.

H-5521 FILED  
RECEIVED FROM SENATE  
MARCH 2, 1978

*Have referred to concure 2/15 (p. 1005)  
Senate insists 2/22 (p. 620)*

REPORT OF THE CONFERENCE COMMITTEE  
ON HOUSE FILE 463

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

We, the undersigned members of the conference committee appointed to consider the differences between the Senate and the House of Representatives on House File 463, a bill for an Act relating to the operation of area education agencies and to make an appropriation, respectfully make the following report:

1. That the Senate amendment (H-5521) to House File 463, as amended, passed, and reprinted by the House, be amended as follows:

1. Page 1, by inserting after line 21 the following:

"\_\_\_ . Page 1, by striking line 25 and inserting in lieu thereof the words and figures "(273.2), subsections three (3) and five (5), Code 1977, are amended to read".

\_\_\_ . Page 1, by inserting after line 26 the following:

"3. Research, demonstration projects and models, and educational planning for children under five years of age through grade twelve and children requiring special education as defined in section 281.2 as approved by the department state board of public instruction."

\_\_\_ . Page 1, line 31, by striking the word "department" and inserting in lieu thereof the words "department state board".

\_\_\_ . Page 1, by striking line 33 and inserting in lieu thereof the words and figures "(273.3), subsections three (3), five (5), eight (8), nine (9), ten (10), twelve (12), and".

\_\_\_ . Page 1, by inserting after line 34 the following:

"3. Provide data and prepare reports as directed by the superintendent of public instruction and the state board."

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\_\_\_\_. Page 2, line 1, by striking the word "department" and inserting in lieu thereof the words "department state board".

\_\_\_\_. Page 2, line 14, by striking the word "department" and inserting in lieu thereof the words "department state board".

\_\_\_\_. Page 2, by inserting after line 18 the following:

"8. Be authorized, subject to the approval of the department state board of public instruction, to enter into agreements for the joint use of personnel, buildings, facilities, supplies and equipment with school corporations as deemed necessary to provide authorized programs and services.

9. Be authorized to make application for, accept, and expend state and federal funds that are available for programs of educational benefit approved by the department state board of public instruction, and co-operate with the department and the state board in the manner provided in federal-state plans or department rules in the effectuation and administration of programs approved by the department, or approved by other educational agencies, which agencies have been approved as a state educational authority."

2. Page 1, by striking lines 31 through 40 and inserting in lieu thereof the following:

"\_\_\_\_. Page 2, line 32, by striking the word "superintendent's" and inserting in lieu thereof the word "superintendents"."

3. Page 1, by striking lines 45 through 48 and inserting in lieu thereof the following:

"\_\_\_\_. Page 3, by striking lines 3 through 9 and inserting in lieu thereof the following: "five-hundred-dollars per-annum, including established by the board based upon the previous experience and education of the administrator, subject to the salary limitations provided in this subsection. For the school year beginning July 1, 1978, the annual salary

of an administrator shall not exceed twenty-nine thousand dollars if the area education agency has an approved budget for that year of less than seven million dollars and shall not exceed thirty thousand dollars if the area education agency has an approved budget for that year of seven million dollars or more. For each school year thereafter, the annual salary established for an administrator shall not exceed one hundred percent, plus a percent equal to one-half of the state percent of growth established in section four hundred forty-two point seven (442.7) of the Code for the budget year, times the salary granted by the board for the preceding year for the administrator of that area education agency. The salary shall"."

4. Page 1, by striking lines 49 and 50.

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

"\_\_\_. Page 3, line 30, by inserting after the word "approval." the following: "The state board shall forward copies of the budgets of the area education agencies to the state comptroller. The state board and the state comptroller shall establish a maximum statewide amount for approved budgets for the area education agencies. If the state board and the state comptroller cannot agree upon a maximum statewide amount, that amount shall be established by the school budget review committee."

\_\_\_. Page 3, line 31, by inserting after the word "budget" the words "of each area education agency with consideration given to the maximum statewide amount established pursuant to this subsection,"."

6. Page 2, by inserting before line 25 the following:

"\_\_\_. Page 3, by inserting after line 35 the following section:

"Sec. \_\_\_. Section two hundred seventy-three point three (273.3), Code 1977, is amended by striking subsection eighteen (18)."

7. Page 2, line 27, by striking the word "section" and inserting in lieu thereof the word "sections".

8. Page 2, by inserting after line 27 the following:

"Sec. \_\_\_\_\_. Section two hundred seventy-three point four (273.4), subsection three (3), Code 1977, is amended to read as follows:

3. Submit program plans each year to the department of public instruction, for approval by the state board of public instruction, to reflect the needs of the area education agency for media services as provided in section 273.6.

Sec. \_\_\_\_\_. Section two hundred seventy-three point six (273.6), subsection two (2), unnumbered paragraph one (1), Code 1977, is amended to read as follows:

Program plans submitted by the area education agency to the department of public instruction for approval by the state board of media centers under this subsection shall include all of the following:

Sec. \_\_\_\_\_. Section two hundred seventy-three point eight (273.8), subsection one (1), Code 1977, is amended to read as follows:

1. BOARD OF DIRECTORS. The board of directors of an area education agency shall consist of the same number of directors as are authorized to serve on the board of the merged area under the provisions of chapter 280A, within the area being served by the area education agency. The members of the area education agency board shall be elected from director districts in the manner provided in this section. Each director shall serve a three-year term which expires on the first Monday in October ~~7-except-that-directors-elected-at-the-initial-election-to-take-office-on-October-7, 1974-shall-determine-their-respective-terms-by-let-so-that-the-terms-of-one-third-of-the-members, as-nearly-as-may-be, shall-expire-on-the-first-Monday-of-October-of-each-succeeding-year.~~

Commencing with the director district conventions held in 1981, the board of directors of an area education agency

shall consist of nine members."

9. Page 3, by striking lines 19 through 50.

10. Page 4, by striking lines 1 through 15.

11. Page 4, by inserting before line 16 the following:

"\_\_\_. Page 4, by striking line 13 and inserting in lieu thereof the words and figures "(273.9), subsections three (3), four (4), and five (5), Code 1977, are amended to read".

\_\_\_. Page 4, by inserting after line 14 the following:

"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 442.7. 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 273.5 are modified as necessary and approved by the department state board of public instruction according to the criteria and limitations of chapter 281 and section 442.7.

4. The costs of media services provided through the area education agency shall be funded as provided in section 442.27. Media services shall not be funded until the program plans submitted by the administrators of each area education agency as required by section 273.4 are modified as necessary and approved by the department state board of public instruction according to the criteria and limitations of section 273.6 and of section 442.27."

\_\_\_. Page 4, line 17, by striking the word "department" and inserting in lieu thereof the words "department state board"."

12. Page 4, by striking lines 17 through 28.

13. Page 4, by inserting before line 29 the following:

"\_\_\_. Page 5, line 5, by striking the word "superintendent" and inserting in lieu thereof the words "state board".

\_\_\_. Page 5, by inserting after line 23 the following:

"Sec. \_\_\_\_ . NEW SECTION. DIRECTOR DISTRICTS. The commission established in chapter two hundred eighty A (280A) of the Code to redraw boundary lines following each federal decennial census shall establish nine director districts for the area education agency, which are coterminous with the director districts for the board of directors of the merged area board, based upon census information obtained from the census of 1980 for use at the regular director district conventions held in 1981. If an area education agency board had five members in 1980, two additional members of the board shall be elected for two-year terms and two additional members of the board shall be elected for three-year terms. If an area education agency board had seven members in 1980, one additional member shall be elected for a two-year term and one additional member shall be elected for a three-year term. The terms of office of the additional members shall be determined by lot. Changes in the boundary lines of director districts shall not be construed as having the effect of lengthening or diminishing the term of office of any member of the board as a result of the changes in the boundary lines of director districts."

14. Page 4, by inserting after line 29 the following:

" \_\_\_\_ . Page 5, by inserting after line 35 the following:

"Sec. \_\_\_\_ . Section two hundred eighty A point five (280A.5), subsection thirteen (13), Code 1977, is amended to read as follows:

13. The boundaries of director districts ~~which shall~~  
~~number not less than five or more than nine~~ if such districts have been agreed upon. Director districts shall be of approximately equal population.

Sec. \_\_\_\_ . Section two hundred eighty A point twelve (280A.12), Code 1977, is amended to read as follows:

280A.12 GOVERNING BOARD. The governing board of a merged area shall be a board of directors composed of one member elected from each director district in the area by the electors

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of the respective district. Members of the board shall be residents of the district from which elected. Successors shall be chosen at the annual school elections for members whose terms expire on the first Monday in October following such elections. Terms of members of the board of directors shall be three years ~~except that members of the initial board of directors elected at the special election shall determine their respective terms by lot so that the terms of one-third of the members, as nearly as may be, shall expire on the first Monday in October of each succeeding year.~~ Vacancies on the board which occur more than ninety days prior to the next regular school election may be filled at the next regular meeting of the board by appointment by the remaining members of the board. A member so chosen shall be a resident of the district in which the vacancy occurred and shall serve until a member shall be elected pursuant to section 69.12 to fill the vacancy for the balance of the unexpired term. A vacancy shall be defined as in section 277.29. No member shall serve on the board of directors who is a member of a board of directors of a local school district or a member of an area education agency board.

Commencing with the regular school election in 1981, the governing board of a merged area shall consist of nine members."

15. Page 4, line 44, by striking the word "section" and inserting in lieu thereof the word "sections".

16. Page 5, line 20, by inserting after the word "with" the words "the boundary lines of school districts and".

17. Page 5, by inserting after line 25 the following:

"Sec. \_\_\_\_ . NEW SECTION. REDRAWING DIRECTOR DISTRICTS. The commission established in this chapter to redraw boundary lines following each federal decennial census shall establish nine director districts for its merged area based upon census information obtained from the census of 1980 for use at the regular school election in 1981. If a merged area board had

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five members in 1980, two additional members of the board shall be elected for two-year terms and two additional members of the board shall be elected for three-year terms. If a merged area board had seven members in 1980, one additional member shall be elected for a two-year term and one additional member shall be elected for a three-year term. The terms of office of the additional members shall be determined by lot. Changes in the boundary lines of director districts shall not be construed as having the effect of lengthening or diminishing the term of office of any member of the board as the result of the changes of the boundary lines of director districts.

Sec. \_\_\_\_\_. Section two hundred eighty-one point two (281.2), subsection two (2), unnumbered paragraph one (1), Code 1977, is amended to read as follows:

"Special education" means classroom, home, hospital, institutional, or other instruction designed to meet the needs of children requiring special education as defined in subsection 1; transportation and corrective and supporting services required to assist children requiring special education, as defined in subsection 1, in taking advantage of, or responding to, educational programs and opportunities, as defined by rules of the ~~department~~ state board of public instruction.

Sec. \_\_\_\_\_. Section two hundred eighty-one point four (281.4), unnumbered paragraphs one (1), two (2), and three (3), Code 1977, are amended to read as follows:

The board of directors of any school district or area education agency, with the approval of the state ~~department~~ board of public instruction, may provide special education programs and services as defined in this chapter. If services are provided by the area education agency, with the approval of the ~~department~~ state board of public instruction, the board of directors of the area education agency with the co-operation of the local school districts within its jurisdiction may:

The board of directors of the local district or the area education agency shall employ qualified teachers certified by the authority provided by law as teachers for children requiring such special education. The maximum number of pupils per teacher shall be determined by the board of directors of the local district or the area education agency board in accordance with the rules and regulations of the state department board of public instruction.

The board of directors of the local district or the area education agency may establish and operate one or more special education centers to provide diagnostic, therapeutic, corrective, and other services, on a more comprehensive, expert, economic and efficient basis than can be reasonably provided by a single school district. Such services, if offered by the area education agency board, may be provided in the regular schools using personnel and equipment of the area education agency or, whenever it is impractical or inefficient to provide them on the premises of a regular school, the area education agency may provide services in its own facilities. To the maximum extent feasible, such centers shall be established at and in conjunction with, or in close proximity to one or more elementary and secondary schools. Local districts or the area education agencies may accept diagnostic and evaluation studies conducted by other individuals, hospitals, or centers, if determined to be competent. Children requiring special education services may be identified in any way that the department of public instruction, as approved by the state board of public instruction, determines to be reliable. Centers established pursuant to this section may contain classrooms and other educational facilities and equipment to supplement instruction and other services to handicapped children in the regular schools, and to provide separate instruction to children whose degree or type of educational handicap makes it impractical or inappropriate for them to participate in classes with

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normal children.

Sec. \_\_\_\_ . Section two hundred eighty-one point seven (281.7), Code 1977, is amended to read as follows:

281.7 EXAMINATIONS OF CHILDREN. In order to render proper instruction to each child requiring special education, the school districts shall certify children requiring special education for special instruction in accordance with the requirements set up by the division of special education and shall provide examinations for children preliminary to making certification. The examinations necessary for the certification of children requiring special education shall be prescribed by the state division of special education. Final decision in case of disagreement or appeal shall be the responsibility of the state superintendent board of public instruction, ~~who~~ which may secure the advice of competent medical and educational authorities including the state department of health, the university hospitals, the state department of social welfare, the superintendent of the state school for the deaf, the superintendent of the Iowa braille and sight-saving school, and the superintendent of the state tuberculosis sanatorium.

Sec. \_\_\_\_ . Section two hundred eighty-one point nine (281.9), subsection four (4), Code 1977, is amended to read as follows:

4. On December 1, 1975, and no later than December 4 first every two years thereafter, for the school year commencing the following July 4 first, the superintendent of public instruction shall report to the school budget review committee the average costs of providing instruction for children requiring special education in the categories of the weighting plan established under this section, and the state board of public instruction shall make recommendations to the school budget review committee for needed alterations to make the weighting plan suitable for subsequent school years. The school budget review committee shall establish the weighting

plan for each school year after the school year commencing July 1, 1975, and shall report the plan to the superintendent of public instruction. The school budget review committee shall not alter the weighting assigned to pupils in a regular curriculum, but it may increase or decrease the weighting assigned to each category of children requiring special education by not more than two-tenths of the weighting assigned to pupils in a regular curriculum. The department state board of public instruction shall promulgate rules under chapter 17A, to implement the weighting plan for each year and to assist in identification and proper indexing of each child in the state who requires special education."

18. Page 5, by striking lines 26 and 27 and inserting in lieu thereof the following:

"\_\_\_. Page 6, line 21, by inserting before the period the words and figures "and for each school year subsequent to the school year beginning July 1, 1977 the inclusion of such costs shall be subject to the approval of the state board of public instruction".

\_\_\_. Page 6, by striking line 23 and inserting in lieu thereof the words and figures "1, 1975 and for the school year beginning July 1, 1976 shall not be expended for such purposes unless approved by the department based upon applications received by the department prior to January 1, 1978 and approved prior to April 1, 1978."

\_\_\_. Page 6, line 35, by inserting after the figure "1975" the words and figures "and for the school year beginning July 1, 1976".

\_\_\_. Page 7, line 6, by inserting after the period the words and figures "Unencumbered funds generated for special education instructional programs for the school years beginning July 1, 1975 and July 1, 1976, shall not be expended for such purpose unless approved by the department of public instruction based upon applications received by the department prior to January 1, 1978 and approved prior to April 1, 1978."

19. Page 5, by inserting before line 28 the following:

"\_\_\_. Page 7, by inserting after line 6 the following:

"Sec. \_\_\_. Section two hundred eighty-one point eleven (281.11), Code 1977, is amended to read as follows:

281.11 PROGRAM PLANS. Program plans submitted to the department of public instruction pursuant to section 273.5 for approval by the state board of public instruction shall establish all of the following:

1. That there are sufficient children requiring special education within the area.

2. That the service or program will be provided by the most appropriate educational agency.

3. That the educational agency providing the service or program has employed qualified special educational personnel.

4. That the instruction is a natural and normal progression of a planned course of instruction.

5. That all revenue raised for support of special education instruction and services is expended for actual delivery of special education instruction or services.

6. Other factors as the ~~department~~ state board may require."

\_\_\_. Page 7, line 24, by striking the word "superintendent" and inserting in lieu thereof the words "state board".

\_\_\_. Page 8, line 26, by striking the word "department" and inserting in lieu thereof the words "state board".

\_\_\_. Page 9, line 7, by striking the word "superintendent" and inserting in lieu thereof the words "state board"."

20. Page 5, by inserting after line 32 the following:

"\_\_\_. Page 10, line 31, by inserting after the word "services," the words "as determined by the state board of public instruction. The state board shall instruct the state comptroller to reduce".

\_\_\_. Page 10, line 32, by striking the words "shall be reduced"."

21. Page 5, by inserting after line 39 the following:

"\_\_\_. Page 11, line 13, by inserting after the word "schools" the words "as determined by the state board of public instruction".

22. Page 5, by striking lines 40 and 41 and inserting in lieu thereof the following:

"\_\_\_. Page 11, by striking line 15 and inserting in lieu thereof the words and figures "(442.7), subsection seven (7), paragraphs d and e, Code 1977, are".

\_\_\_. Page 11, by striking lines 21 and 22 and inserting in lieu thereof the words "The For the school years beginning July 1, 1978 and July 1, 1979 only, the total amount for each area shall be based".

\_\_\_. Page 11, line 32, by inserting after the word "growth." the following: "In addition to the amount provided in this paragraph to each area for the school years beginning July 1, 1978 and July 1, 1979 to compensate for the additional costs of special education support services, each area may be granted by the state board an additional amount 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. The total of additional amounts granted throughout the state by the state board for the school year beginning July 1, 1978 shall not exceed the total amount approved for special education support services for the school year beginning July 1, 1977 times four and eighty-seven hundredths percent, and for the school year beginning July 1, 1979 shall not exceed the total amount approved for special education support services for the school year beginning July 1, 1978 times three percent. For the school year beginning July 1, 1980 and each school year thereafter the total amount for the state for special education support services shall not exceed the total amount approved for special education support services for the base year times one hundred percent

plus the state percent of growth, and the total amount for each area shall be determined by the state board of public instruction 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 state board 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 and within the total amount for the state provided in this paragraph."

\_\_\_ . Page 12, by inserting after line 1 the following:

"e. For the additional allowable growth computed under paragraphs "c" ~~or~~ and "d" of this subsection, the department state board of public instruction, in co-operation 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 necessary to fund the total special education support services costs as increased for the budget year under paragraph "d" of this subsection, and shall calculate the amounts due from each district to its area education agency by multiplying the additional allowable growth per pupil necessary to fund the total special education support services costs as increased for the budget year under paragraph "d" of this subsection 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 this chapter 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

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under this chapter 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."

23. Page 7, by striking lines 4, 5, and 6 and inserting in lieu thereof the following:

"\_\_\_\_. Page 16, by striking lines 3 through 6 and inserting in lieu thereof the words "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.~~"

\_\_\_\_. Page 16, line 18, by striking the word "department" and inserting in lieu thereof the words "department state board".

\_\_\_\_. Page 17, line 13, by inserting after the word "instruction" the words "as approved by the state board".

24. Page 7, lines 26 and 27, by striking the words and figures "for programs commenced prior to February 1, 1978".

25. Page 8, by inserting after line 36 the following:

"Sec. \_\_\_\_\_. Notwithstanding the provisions of chapters two hundred seventy-three (273), two hundred eighty-one (281), and four hundred forty-two (442) of the Code, relating to the allocation of the special education support services costs to the school districts for the school year beginning July 1, 1978, and ending June 30, 1979, the state comptroller shall reduce the amount to be allocated among the school districts in each area education agency by the following balances. The following amounts shall be used by the area education agency to fund the reduction in special education support services costs allocated to the school districts in each area. The amount of the special education support services cost to be reduced for each area shall be equal to:

Area 1 .....	\$ 702,897
Area 2 .....	\$ 138,774

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Area 3 .....	\$ 151,271
Area 4 .....	\$ 143,285
Area 6 .....	\$ 552,907
Area 7 .....	\$ 590,770
Area 9 .....	\$ 168,557
Area 10 .....	\$ 3,117
Area 11 .....	\$ 919,888
Area 12 .....	\$ 202,677
Area 13 .....	\$ 121,120
Area 14 .....	\$ 45,291
Area 15 .....	\$ 204,561

The state comptroller shall reduce the state cost per pupil for the school year beginning July 1, 1978 and ending June 30, 1979, by the average special education support services cost reduction per pupil in weighted enrollment computed by dividing the sum of the special education support services cost reductions provided in this section by the weighted enrollment in the state. The state comptroller shall reduce the foundation base for only the school year beginning July 1, 1978 and ending June 30, 1979, computed under section four hundred forty-two point three (442.3) of the Code, prior to reductions in special education support services costs under this section, by the amount per pupil in weighted enrollment that the state cost per pupil in weighted enrollment is reduced under this section. The state comptroller shall reduce each school district cost per pupil by the amount of the special education support services cost reduction per pupil in weighted enrollment in the area computed by dividing the reduction in the area of the special education support services cost by the weighted enrollment in the area."

2. Amend the title, line 1, by striking the words "operation of area education agencies" and inserting in lieu thereof the words "education by revising the board membership of area schools and area education agencies, and by revising the financing and operation of area education agencies and special education programs,".

ON THE PART OF THE HOUSE

John E. Patchett, Chair  
 Horace C. Daggett  
 Lowell E. Norland  
 Delwyn Stromer

ON THE PART OF THE SENATE

Earl M. Willits, Chair  
 Willard R. Hansen  
 Edgar H. Holden  
 Joan Orr  
 Tom Slater

FILED

APR 16 1978

*House Adopted 4/10 (p. 1434) Senate adopted 4/12 (p. 840)*

## HOUSE FILE 463

## AN ACT

RELATING TO EDUCATION BY REVISING THE BOARD MEMBERSHIP OF AREA SCHOOLS AND AREA EDUCATION AGENCIES, AND BY REVISING THE FINANCING AND OPERATION OF AREA EDUCATION AGENCIES AND SPECIAL EDUCATION PROGRAMS, AND TO MAKE AN APPROPRIATION.

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

Section 1. Section two hundred fifty-seven point ten (257.10), Code 1977, is amended by adding the following new subsection:

NEW SUBSECTION. Approve the salaries for area education agency administrators set by the area education agency boards.

Sec. 2. Section two hundred seventy-three point two (273.2), Code 1977, is amended by adding the following new unnumbered paragraph after unnumbered paragraph one (1).

NEW UNNUMBERED PARAGRAPH. An area education agency established under the provisions of this chapter is a body politic as a school corporation for the purpose of exercising powers granted under this chapter, and as such may sue and be sued. An area education agency may hold property and execute lease-purchase agreements pursuant to the provisions of section two hundred seventy-three point three (273.3), subsection seven (7), of the Code and if the purchase price of the property to be acquired pursuant to the lease-purchase agreement exceeds five thousand dollars, the lease-purchase agreement must be approved at the regular school election or a special election held throughout the area education agency. Section two hundred seventy-seven point three (277.3) of the Code is applicable to an election called under this section by the board of directors of an area education agency.

Sec. 3. Section two hundred seventy-three point two (273.2), unnumbered paragraph two (2), Code 1977, is amended

to read as follows:

The area education agency board shall furnish educational services and programs ~~to the local school districts~~ as provided in sections 273.1 to 273.9 and chapter 281 to the pupils enrolled in public or nonpublic schools located within its boundaries which are on the list of approved schools pursuant to section two hundred fifty-seven point twenty-five (257.25) of the Code. The programs and services provided shall be at least commensurate with programs and services existing on July 1, 1974. The programs and services provided to pupils enrolled in nonpublic schools shall be comparable to programs and services provided to pupils enrolled in public schools within constitutional guidelines.

Sec. 4. Section two hundred seventy-three point two (273.2), subsections three (3) and five (5), Code 1977, are amended to read as follows:

3. Research, demonstration projects and models, and educational planning for children under five years of age through grade twelve and children requiring special education as defined in section 281.2 as approved by the department state board of public instruction.

5. Other educational programs and services for children under five years through grade twelve and children requiring special education as defined in section 281.2 and for employees of school districts and area education agencies as approved by the department state board of public instruction.

Sec. 5. Section two hundred seventy-three point three (273.3), subsections three (3), five (5), eight (8), nine (9), ten (10), twelve (12), and thirteen (13), Code 1977, are amended to read as follows:

3. Provide data and prepare reports as directed by the superintendent of public instruction and the state board.

5. Be authorized, subject to rules and regulations of the department state board of public instruction, to provide directly or by contractual arrangement with public or private

agencies for special education programs and services, media services, and ~~other~~ educational programs and services requested by the local boards of education as provided in this chapter, including but not limited to contracts for the area education agency to provide programs or services to the local school districts and contracts for local school districts, other educational agencies, and public and private agencies to provide programs and services to the local school districts in the area education agency in lieu of the area education agency providing such services. Contracts may be made with public or private agencies located outside the state if the programs and services comply with the rules of the department state board. The cost of such programs and services for each child shall not exceed the amount of money available through the area education agency of the child's residence for each child under chapters 281 and 442.

8. Be authorized, subject to the approval of the department state board of public instruction, to enter into agreements for the joint use of personnel, buildings, facilities, supplies and equipment with school corporations as deemed necessary to provide authorized programs and services.

9. Be authorized to make application for, accept, and expend state and federal funds that are available for programs of educational benefit approved by the department state board and the state board in the manner provided in federal-state plans or department rules in the effectuation and administration of programs approved by the department, or approved by other educational agencies, which agencies have been approved as a state educational authority.

10. In any county operating a juvenile home, upon request of the county board of supervisors ~~in-co-operation-with-and-at-the-expense-of-the-school-districts-of-residence-of-the-children-residing-in-the-home~~, provide suitable curriculum, teaching staff, books, supplies, and other necessary materials

for the instruction of children of school age who are maintained in the juvenile home of the county, as provided in section 232.21. Reimbursement for the cost of instruction provided under this section shall be made pursuant to the first new section in section twelve (12) of the Act.

12. Employ such personnel as may be required, ~~if any~~, to carry out the functions of the area education agency which may shall include the employment of an administrator who shall possess a ~~superintendent's~~ certificate issued under the provisions of section 260.9. The administrator shall be employed pursuant to the provisions of section ~~279.14~~ two hundred seventy-nine point twenty (279.20) of the Code and the provisions of sections 279.23, 279.24, and 279.25. The salary ~~range~~ for an area education agency administrator shall be ~~from-seventeen-thousand-dollars-to-twenty-seven-thousand-five-hundred-dollars-per-annum, including~~ established by the board based upon the previous experience and education of the administrator, subject to the salary limitations provided in this subsection. For the school year beginning July 1, 1978, the annual salary of an administrator shall not exceed twenty-nine thousand dollars if the area education agency has an approved budget for that year of less than seven million dollars and shall not exceed thirty thousand dollars if the area education agency has an approved budget for that year of seven million dollars or more. For each school year thereafter, the annual salary established for an administrator shall not exceed one hundred percent, plus a percent equal to one-half of the state percent of growth established in section four hundred forty-two point seven (442.7) of the Code for the budget year, times the salary granted by the board for the preceding year for the administrator of that area education agency. The salary shall include the costs of additional benefits, over and above the additional benefits given all full-time employees. The provisions of section 279.13 shall apply to the area education agency board and

to all teachers employed by the area education agency. The provisions of sections 279.23, 279.24, and 279.25 shall apply to the area education board and to all administrators employed by the area education agency. Salary rates established by the board shall be subject to the approval of the state board.

13. Prepare an annual budget estimating income and expenditures for programs and services as provided in sections 273.1 to 273.9 and chapter 281. The board shall give notice of a public hearing on the proposed budget by publication in an official county newspaper in each county located wholly or partially in the merged area. The notice shall specify the date which shall be not later than November tenth of each year, time, and location of the public hearing. The proposed budget as approved by the board shall then be submitted to the department state board of public instruction, on forms provided by the department, no later than December 4 first preceding the next fiscal year for approval. The state board shall forward copies of the budgets of the area education agencies to the state comptroller. The state board and the state comptroller shall establish a maximum statewide amount for approved budgets for the area education agencies. If the state board and the state comptroller cannot agree upon a maximum statewide amount, that amount shall be established by the school budget review committee. The department state board shall review the proposed budget of each area education agency with consideration given to the maximum statewide amount established pursuant to this subsection, and shall prior to January 4 first either grant approval or return the budget without approval with comments of the department state board included. Any unapproved budget shall be resubmitted to the department state board for final approval.

Sec. 6. Section two hundred seventy-three point three (273.3), Code 1977, is amended by striking subsection eighteen (18).

Sec. 7. Section two hundred seventy-three point four

(273.4), subsection three (3), Code 1977, is amended to read as follows:

3. Submit program plans each year to the department of public instruction, for approval by the state board of public instruction, to reflect the needs of the area education agency for media services as provided in section 273.6.

Sec. 8. Section two hundred seventy-three point six (273.6), subsection two (2), unnumbered paragraph one (1), Code 1977, is amended to read as follows:

Program plans submitted by the area education agency to the department of public instruction for approval by the state board of media centers under this subsection shall include all of the following:

Sec. 9. Section two hundred seventy-three point eight (273.8), subsection one (1), Code 1977, is amended to read as follows:

1. BOARD OF DIRECTORS. The board of directors of an area education agency shall consist of the same number of directors as are authorized to serve on the board of the merged area under the provisions of chapter 280A, within the area being served by the area education agency. The members of the area education agency board shall be elected from director districts in the manner provided in this section. Each director shall serve a three-year term which expires on the first Monday in October, ~~except that directors elected at the initial election to take office on October 7, 1974, shall determine their respective terms by lot so that the terms of one-third of the members, as nearly as may be, shall expire on the first Monday of October of each succeeding year.~~

Commencing with the director district conventions held in 1981, the board of directors of an area education agency shall consist of nine members.

Sec. 10. Section two hundred seventy-three point eight (273.8), subsection two (2), unnumbered paragraphs three (3) and six (6), Code 1977, are amended to read as follows:

The director district conventions shall be called and the locations of the conventions shall be determined by the area education agency administrator. Annually the director district conventions shall be held within two weeks following the regular school election. Notice of the time, date and place of ~~the a~~ director district ~~conventions~~ convention shall be published by the area education agency administrator at least forty-five days prior to the day of the district conventions in at least one newspaper of general circulation in ~~the-merged area~~ the director district. The cost of publication shall be paid by the area education agency.

A candidate for election to the area education agency board may file a statement of candidacy with the area education agency secretary at least ten days prior to the date of the director district convention, on forms prescribed by the department of public instruction. The statement of candidacy shall include the candidate's name, address and school district. The list of candidates shall be sent by the secretary of the area education agency by ordinary mail to the presidents of the boards of directors of all school districts within the director district immediately following the last day for filing the statement of candidacy. The filing of a statement of candidacy shall not be a prerequisite or eligibility requirement for election as an area education agency director. ~~For-the-initial-director-district-convention the-statement-of-candidacy-shall-be-filed-with-the-county superintendent-who-determines-the-date-and-location-of-the district-convention-and-he-shall-send-the-list-of-candidates to-the-presidents-of-the-school-boards.~~ Delegates to director district conventions shall not be bound by a school board or any school board member to pledge their votes to any candidate prior to the date of the convention.

Sec. 11. Section two hundred seventy-three point nine (273.9), subsections three (3), four (4), and five (5), Code 1977, are amended to read as follows:

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 442.7. 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 273.5 are modified as necessary and approved by the department state board of public instruction according to the criteria and limitations of chapter 281 and section 442.7.

4. The costs of media services provided through the area education agency shall be funded as provided in section 442.27. Media services shall not be funded until the program plans submitted by the administrators of each area education agency as required by section 273.4 are modified as necessary and approved by the department state board of public instruction according to the criteria and limitations of section 273.6 and of section 442.27.

5. The costs of ~~other~~ educational services provided through the area education agency shall be funded within the limitations in section 442.27. The department state board of public instruction shall promulgate rules under chapter 17A, as necessary to implement performance of its approval duties under this section.

Sec. 12. Chapter two hundred seventy-three (273), Code 1977, is amended by adding the following new sections:

NEW SECTION. APPROPRIATION FOR REIMBURSEMENT OF INSTRUCTIONAL COSTS OF CHILDREN IN JUVENILE HOMES. The administrator of each area education agency shall determine annually the cost of instruction provided under section two hundred seventy-three point three (273.3), subsection ten (10), of the Code to a child of school age maintained in a juvenile home located in the area. The administrator shall certify the total yearly audited cost of instruction and the amount due for instruction, to the superintendent of public

instruction not later than September first of each year for the preceding fiscal year. The state board of public instruction shall review the amount due and submit a requisition to the state comptroller. The amount due shall be paid by the treasurer of state to the area education agency from any funds in the general fund of the state not otherwise appropriated upon warrants drawn and signed by the state comptroller.

NEW SECTION. Funds generated for educational services under the provisions of section four hundred forty-two point twenty-seven (442.27) of the Code and subject to approval under the provisions of section two hundred seventy-three point nine (273.9), subsection five (5), of the Code shall not be expended by an area education agency for the purpose of assisting either a public employer or employee organization in collective bargaining negotiations under chapter twenty (20) of the Code if the public employer is a school district, or the employee organization consists of employees of a school district, located within the boundaries of the area education agency.

Sec. 13. NEW SECTION. DIRECTOR DISTRICTS. The commission established in chapter two hundred eighty A (280A) of the Code to redraw boundary lines following each federal decennial census shall establish nine director districts for the area education agency, which are coterminous with the director districts for the board of directors of the merged area board, based upon census information obtained from the census of 1980 for use at the regular director district conventions held in 1981. If an area education agency board had five members in 1980, two additional members of the board shall be elected for two-year terms and two additional members of the board shall be elected for three-year terms. If an area education agency board had seven members in 1980, one additional member shall be elected for a two-year term and one additional member shall be elected for a three-year term.

The terms of office of the additional members shall be determined by lot. Changes in the boundary lines of director districts shall not be construed as having the effect of lengthening or diminishing the term of office of any member of the board as a result of the changes in the boundary lines of director districts.

Sec. 14. Section two hundred eighty A point five (280A.5), subsection thirteen (13), Code 1977, is amended to read as follows:

13. The boundaries of director districts ~~which shall number not less than five or more than nine~~ if such districts have been agreed upon. Director districts shall be of approximately equal population.

Sec. 15. Section two hundred eighty A point twelve (280A.12), Code 1977, is amended to read as follows:

280A.12 GOVERNING BOARD. The governing board of a merged area shall be a board of directors composed of one member elected from each director district in the area by the electors of the respective district. Members of the board shall be residents of the district from which elected. Successors shall be chosen at the annual school elections for members whose terms expire on the first Monday in October following such elections. Terms of members of the board of directors shall be three years ~~except that members of the initial board of directors elected at the special election shall determine their respective terms by lot so that the terms of one-third of the members, as nearly as may be, shall expire on the first Monday in October of each succeeding year.~~ Vacancies on the board which occur more than ninety days prior to the next regular school election may be filled at the next regular meeting of the board by appointment by the remaining members of the board. A member so chosen shall be a resident of the district in which the vacancy occurred and shall serve until a member shall be elected pursuant to section 69.12 to fill the vacancy for the balance of the unexpired term. A vacancy

shall be defined as in section 277.29. No member shall serve on the board of directors who is a member of a board of directors of a local school district or a member of an area education agency board.

Commencing with the regular school election in 1981, the governing board of a merged area shall consist of nine members.

Sec. 16. Section two hundred eighty A point twenty-three (280A.23), Code 1977, is amended by striking subsection two (2).

Sec. 17. Section two hundred eighty A point twenty-five (280A.25), subsection two (2), Code 1977, is amended to read as follows:

2. Change boundaries of director districts in any merged area when the ~~board-of-directors-of-the-area~~ commission fails to change boundaries as required ~~under-section-280A-23,~~ subsection-2 by law.

Sec. 18. Chapter two hundred eighty A (280A), Code 1977, is amended by adding the following new section:

NEW SECTION. BOUNDARIES OF DIRECTOR DISTRICTS. Boundary lines of director districts in the merged areas shall be redrawn after each census to compensate for changes in population if such population changes have taken place. A commission for the purpose of redrawing the boundary lines of the director districts of a merged area, composed of members of the boards of directors of each of the school districts located in the merged area, shall be called by the chairperson of the board of the merged area as soon as possible after census information is available. The chairperson of the board of the merged area shall preside over the commission but shall not have a vote on the commission. In votes of the commission, the vote of the board of the least populous school district in the merged area shall have a weight of one unit and the vote of the boards of each of the other school districts in the merged area shall have a weight which bears the same proportion to one unit as the population of the school district

bears to the population of the least populous school district in the merged area.

Where feasible, boundary lines of director districts shall coincide with the boundary lines of school districts and the boundary lines of election precincts established pursuant to sections forty-nine point three (49.3) to forty-nine point six (49.6) of the Code.

Director districts shall be of approximately equal population within each merged area.

Sec. 19. NEW SECTION. REDRAWING DIRECTOR DISTRICTS. The commission established in this chapter to redraw boundary lines following each federal decennial census shall establish nine director districts for its merged area based upon census information obtained from the census of 1980 for use at the regular school election in 1981. If a merged area board had five members in 1980, two additional members of the board shall be elected for two-year terms and two additional members of the board shall be elected for three-year terms. If a merged area board had seven members in 1980, one additional member shall be elected for a two-year term and one additional member shall be elected for a three-year term. The terms of office of the additional members shall be determined by lot. Changes in the boundary lines of director districts shall not be construed as having the effect of lengthening or diminishing the term of office of any member of the board as the result of the changes of the boundary lines of director districts.

Sec. 20. Section two hundred eighty-one point two (281.2), subsection two (2), unnumbered paragraph one (1), Code 1977, is amended to read as follows:

"Special education" means classroom, home, hospital, institutional, or other instruction designed to meet the needs of children requiring special education as defined in subsection 1; transportation and corrective and supporting services required to assist children requiring special

education, as defined in subsection 1, in taking advantage of, or responding to, educational programs and opportunities, as defined by rules of the department state board of public instruction.

Sec. 21. Section two hundred eighty-one point four (281.4), unnumbered paragraphs one (1), two (2), and three (3), Code 1977, are amended to read as follows:

The board of directors of any school district or area education agency, with the approval of the state department board of public instruction, may provide special education programs and services as defined in this chapter. If services are provided by the area education agency, with the approval of the department state board of public instruction, the board of directors of the area education agency with the co-operation of the local school districts within its jurisdiction may:

The board of directors of the local district or the area education agency shall employ qualified teachers certified by the authority provided by law as teachers for children requiring such special education. The maximum number of pupils per teacher shall be determined by the board of directors of the local district or the area education agency board in accordance with the rules and regulations of the state department board of public instruction.

The board of directors of the local district or the area education agency may establish and operate one or more special education centers to provide diagnostic, therapeutic, corrective, and other services, on a more comprehensive, expert, economic and efficient basis than can be reasonably provided by a single school district. Such services, if offered by the area education agency board, may be provided in the regular schools using personnel and equipment of the area education agency or, whenever it is impractical or inefficient to provide them on the premises of a regular school, the area education agency may provide services in its own facilities. To the maximum extent feasible, such

centers shall be established at and in conjunction with, or in close proximity to one or more elementary and secondary schools. Local districts or the area education agencies may accept diagnostic and evaluation studies conducted by other individuals, hospitals, or centers, if determined to be competent. Children requiring special education services may be identified in any way that the department of public instruction, as approved by the state board of public instruction, determines to be reliable. Centers established pursuant to this section may contain classrooms and other educational facilities and equipment to supplement instruction and other services to handicapped children in the regular schools, and to provide separate instruction to children whose degree or type of educational handicap makes it impractical or inappropriate for them to participate in classes with normal children.

Sec. 22. Section two hundred eighty-one point seven (281.7), Code 1977, is amended to read as follows:

281.7 EXAMINATIONS OF CHILDREN. In order to render proper instruction to each child requiring special education, the school districts shall certify children requiring special education for special instruction in accordance with the requirements set up by the division of special education and shall provide examinations for children preliminary to making certification. The examinations necessary for the certification of children requiring special education shall be prescribed by the state division of special education. Final decision in case of disagreement or appeal shall be the responsibility of the state superintendent board of public instruction, ~~who~~ which may secure the advice of competent medical and educational authorities including the state department of health, the university hospitals, the state department of social welfare, the superintendent of the state school for the deaf, the superintendent of the Iowa braille and sight-saving school, and the superintendent of the state

tuberculosis sanatorium.

Sec. 23. Section two hundred eighty-one point nine (281.9), subsection four (4), Code 1977, is amended to read as follows:

4. On December 1, 1975, and no later than December 4 first every two years thereafter, for the school year commencing the following July 4 first, the superintendent of public instruction shall report to the school budget review committee the average costs of providing instruction for children requiring special education in the categories of the weighting plan established under this section, and the state board of public instruction shall make recommendations to the school budget review committee for needed alterations to make the weighting plan suitable for subsequent school years. The school budget review committee shall establish the weighting plan for each school year after the school year commencing July 1, 1975, and shall report the plan to the superintendent of public instruction. The school budget review committee shall not alter the weighting assigned to pupils in a regular curriculum, but it may increase or decrease the weighting assigned to each category of children requiring special education by not more than two-tenths of the weighting assigned to pupils in a regular curriculum. The department state board of public instruction shall promulgate rules under chapter 17A, to implement the weighting plan for each year and to assist in identification and proper indexing of each child in the state who requires special education.

Sec. 24. Section two hundred eighty-one point nine (281.9), Code 1977, is amended by adding the following new subsection:

NEW SUBSECTION. Commencing with the school year beginning July 1, 1976, costs of special education instructional programs include the costs of purchase of transportation equipment to meet the special needs of children requiring special education and for each school year subsequent to the school year beginning July 1, 1977 the inclusion of such costs shall be subject to the approval of the state board of public

instruction. Unencumbered funds generated for special education instructional programs for the school year beginning July 1, 1975 and for the school year beginning July 1, 1976 shall not be expended for such purposes unless approved by the department based upon applications received by the department prior to January 1, 1978 and approved prior to April 1, 1978.

Commencing with the school year beginning July 1, 1976, a school district may expend an amount not to exceed two-sevenths of an amount equal to the district cost of a school district for the costs of regular classroom instruction of a child certified under the special education weighting plan in section two hundred eighty-one point nine (281.9), subsection one (1), paragraph b, Code 1977, as a handicapped pupil who is enrolled in a special class, but who receives part of his or her instruction in a regular classroom. Unencumbered funds generated for special education instructional programs for the school year beginning July 1, 1975 and for the school year beginning July 1, 1976 shall not be expended for such purpose.

Commencing with the school year beginning July 1, 1975, funds generated for special education instructional programs under chapters two hundred eighty-one (281) and four hundred forty-two (442) of the Code shall not be expended for modifications of school buildings to make them accessible to children requiring special education. Unencumbered funds generated for special education instructional programs for the school years beginning July 1, 1975 and July 1, 1976, shall not be expended for such purpose unless approved by the department of public instruction based upon applications received by the department prior to January 1, 1978 and approved prior to April 1, 1978.

Sec. 25. Section two hundred eighty-one point eleven (281.11), Code 1977, is amended to read as follows:  
281.11 PROGRAM PLANS. Program plans submitted to the

department of public instruction pursuant to section 273.5 for approval by the state board of public instruction shall establish all of the following:

1. That there are sufficient children requiring special education within the area.
2. That the service or program will be provided by the most appropriate educational agency.
3. That the educational agency providing the service or program has employed qualified special educational personnel.
4. That the instruction is a natural and normal progression of a planned course of instruction.
5. That all revenue raised for support of special education instruction and services is expended for actual delivery of special education instruction or services.
6. Other factors as the department state board may require.

Sec. 26. Chapter two hundred eighty-one (281), Code 1977, is amended by adding the following new section:

NEW SECTION. CHILDREN PLACED BY DISTRICT COURT.

Notwithstanding the provisions of section two hundred eighty-two point twenty-seven (282.27) of the Code, a child who has been identified as requiring special education who has been placed in a facility or home by the district court, and for whom parental rights have been terminated by the district court, shall receive special education programs and services on the same basis as the programs and services are provided for children requiring special education who are residents of the school district in which the child has been placed. The special education instructional costs shall be certified to the superintendent of public instruction not later than September first of each year for the preceding fiscal year by the area education agency director of special education of the district in which the child has been placed. The state board of public instruction shall review the costs and submit a requisition to the state comptroller. The amount due shall be paid by the treasurer of state to the school district or

agency providing the program from any funds in the general fund of the state not otherwise appropriated upon warrants drawn and signed by the state comptroller.

Sec. 27. Section two hundred eighty-two point twenty-seven (282.27), Code 1977, is amended to read as follows:

282.27 PAYMENT FOR CERTAIN CHILDREN. When a child requiring special education is living in a state-supported institution, charitable institution, or licensed boarding home as defined in this chapter which does not maintain a school and the residence of the child requiring special education is in a school district other than the school district in which the state-supported institution, charitable institution, or licensed boarding home is located, the child is eligible for special education programs and services provided for children requiring special education who are residents of the school district in which the institution or boarding home is located. The special education instructional costs shall be computed by means of weighted enrollment for that child under the provisions of chapters 273, 281, and 442 as if that child were a resident of the school district in which the institution or boarding home is located but the child shall be included in the enrollment count in the district of residence in the manner provided in sections 281.9 and 442.4. The costs as computed shall be paid by the district of residence. No child requiring special education shall be denied special education programs and services because of a dispute over determination of residence of that child. ~~If there is a dispute over the residence of the child cannot be determined, the district in which the institution or boarding home is located shall provide the special education programs and services appropriate for that child and shall compute the costs by means of the weighted enrollment and may apply to the school budget review committee for reimbursement until the dispute over residence of the child is resolved,~~ the state board of public instruction

shall determine the residence of the child. However, if the special education instructional costs incurred on behalf of the child exceed the amount which would be allowed if the child were provided the programs and services in the district of residence, the treasurer of the school district of residence shall make payment at the maximum amount allowed in that district for a child requiring special education who is similarly handicapped. If the child requiring special education is not counted in the weighted enrollment of any district under section 281.9, and payment is not made by any district, the district in which the institution or boarding home is located may ~~make application for reimbursement from the school budget review committee~~ certify the special education instructional costs to the superintendent of public instruction not later than September first of each year for the preceding fiscal year. The state board of public instruction shall review the costs and submit a requisition to the state comptroller. The amount due shall be paid by the treasurer of state to the district in which the institution or licensed boarding home is located from any funds in the general fund of the state not otherwise appropriated upon warrants drawn and signed by the state comptroller. For the purposes of this section, the term "district of residence of the child" means the residence of the parent or legal guardian, or the location of the district court if the district court is the legal guardian, of the child.

Sec. 28. Section four hundred forty-two point one (442.1), Code 1977, 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. 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~~ educational services provided through the area education agencies, the state comptroller shall round amounts to the nearest whole dollar.

Sec. 29. Section four hundred forty-two point two (442.2), Code 1977, is amended by adding the following new subsection:

NEW SUBSECTION. For the school year beginning July 1, 1978, and for each subsequent school year, if an area education agency does not serve nonpublic school pupils in a manner comparable to services provided public school pupils for media and educational services, as determined by the state board of public instruction, the state board shall instruct the state comptroller to reduce the funds for media services and educational services one time by an amount to compensate for such reduced services. The media services budget shall be reduced by an amount equal to the product of the cost per pupil in basic enrollment for media services in the budget year times the difference between the enrollment served and the basic enrollment recorded for the area for the budget year beginning July 1, 1975. The educational services budget shall be reduced by an amount equal to the product of the cost per pupil in basic enrollment for educational services in the budget year times the difference between the enrollment

served and the basic enrollment recorded for the budget year beginning July 1, 1975.

The provisions of this subsection shall apply only to media and educational services which cannot be diverted for religious purposes.

Notwithstanding the provisions of this subsection, an area education agency shall distribute to nonpublic schools media materials purchased wholly or partially with federal funds in a manner comparable to the distribution of such media materials to public schools as determined by the state board of public instruction.

Sec. 30. Section four hundred forty-two point seven (442.7), subsection seven (7), paragraphs d and e, Code 1977, are amended to read as follows:

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~~ For the school years beginning July 1, 1978 and July 1, 1979 only, 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 273.5, which shall be modified as necessary and approved by the department of public instruction according to the criteria and limitations of section 273.5 and chapter 284 equal to the total amount approved for special education support services for the base year times one hundred percent plus the state percent of growth. In addition to the amount provided in this paragraph to each area for the school years beginning July 1, 1978 and July 1, 1979 to compensate for the additional costs of special education support services, each area may be granted by the state board an additional amount 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. The total of additional amounts granted throughout the state by the state board for the school year beginning July 1, 1978 shall not exceed the total amount approved for special education support services for the school year beginning July 1, 1977 times four and eighty-seven hundredths percent, and for the school year beginning July 1, 1979 shall not exceed the total amount approved for special education support services for the school year beginning July 1, 1978 times three percent. For the school year beginning July 1, 1980 and each school year thereafter the total amount for the state for special education support services shall not exceed the total amount approved for special education support services for the base year times one hundred percent plus the state percent of growth, and the total amount for each area shall be determined by the state board of public instruction 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 state board 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 and within the total amount for the state provided in this paragraph. 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~~ and "d" of this subsection, the department state board of public instruction, in co-operation 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 necessary to fund the total special education support services costs as increased for the budget year under paragraph "d" of this subsection, and shall calculate the amounts due from each district to its area education agency by multiplying the additional allowable growth per pupil necessary to fund the total special education support services costs as increased for the budget year under paragraph "d" of this subsection 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 this chapter 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 this chapter 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. 31. Section four hundred forty-two point nine (442.9), subsection one (1), paragraph b, Code 1977, is amended to read as follows:

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 cost allocated to the district under section 442.27 to fund media services and other educational 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. 32. Section four hundred forty-two point thirteen (442.13), Code 1977, is amended by adding the following new subsection:

NEW SUBSECTION. The committee shall review the budget of each school district which has a positive balance of funds raised for weighted enrollment in excess of the district cost per pupil received for special education instruction programs which were not validly encumbered during the school year in which the funds were received. The committee may reduce the property tax levy of the school district for the budget year by the amount of the carry-over special education instruction funds which were property tax during the year of receipt in the school year prior to the base year. If the committee reduces the property tax to be levied, it shall reduce the state aid to be received by the school district for the budget year by the state aid portion of the special education instruction funds carried over from the school year prior to the base year. The committee shall notify the comptroller of the combined property tax and state aid adjustments to be made under this subsection.

Sec. 33. Section four hundred forty-two point thirteen (442.13), subsection five (5), Code 1977, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. Unusual needs for additional funds for special education instruction in excess of the special education instruction funds generated under the provisions of section two hundred eighty-one point nine (281.9) of the Code, for districts that do not carry over a positive balance of special education instruction funds which were not encumbered during the year of receipt.

Sec. 34. Section four hundred forty-two point twenty-seven (442.27), unnumbered paragraph one (1), is amended to read as follows:

Media services and other educational 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:

Sec. 35. Section four hundred forty-two point twenty-seven (442.27), Code 1977, is amended by striking subsections two (2) and three (3) and inserting in lieu thereof the following:

2. For the school year beginning July 1, 1978 and each succeeding budget year, the total amount funded for each area for media services excluding the cost for media resource material shall be the total amount funded in the area for media service in the base year times the sum of one hundred percent plus the state percent of growth plus the costs for media resource material for the budget year.

Each year subsequent to the school year beginning July 1, 1980, the total amount to be funded for media services, including the costs for media resource material which shall only be used for the purchase or replacement of material required in section two hundred seventy-three point six (273.6), subsection one (1), paragraphs a, b and c, of the Code, shall be equal to the budget in the base year in the area times the sum of one hundred percent plus the state percent of growth.

3. a. However, for the budget year beginning July 1, 1978, each area in which the amount funded for media services per pupil without inclusion of the costs for media resource material is less than the maximum media service cost per pupil for the enrollment served during the budget year, that area shall receive additional funding for equalization purposes as provided in this paragraph. Each such area shall be funded, in addition to the amount funded under the provisions of subsection two (2) of this section, an amount equal to one-third of the difference between the product of the maximum media service cost per pupil times the enrollment served in the budget year in the area and that amount the area is eligible to receive for media services other than for media resource material under subsection two (2) of this section.

For the budget year beginning July 1, 1979, each area in which the amount funded for media services, other than for media resource material, is less than the maximum media service cost per pupil for the enrollment served in the area in the budget year, in addition to the amount funded for media services other than media resource material under the provision of subsection two (2) of this section, shall be funded at an amount equal to one-half of the difference between the product of the maximum media service cost per pupil times the enrollment served in the budget year in the area and that amount the district is eligible to receive under subsection two (2) of this section for media services other than for media resource material. For the budget year beginning July 1, 1980, each area shall be funded at that amount generated by multiplying the maximum media service cost per pupil times the enrollment served in the area for the budget year.

For the purposes of this section "maximum media service cost per pupil" means, for the school year beginning July 1, 1978, one hundred percent plus the state percent of growth times eight dollars without inclusion of the cost for media resource material. For each succeeding school year prior to the school year beginning July 1, 1981, the "maximum media service cost per pupil" without inclusion of the cost of media resource material shall be equal to the one hundred percent plus the state percent of growth for the budget year times the maximum media service cost per pupil for the base year.

b. In addition to the funding provided for media services under subsections one (1) and two (2) of this section and paragraph a of this subsection, for the school year beginning July 1, 1978, an amount shall be funded to be added to media service funds for each area for purchase and replacement of media resource material required in section two hundred seventy-three point six (273.6), subsection one (1), paragraphs a, b and c, of the Code. The amount shall be equal to three dollars times the enrollment served in the area in the budget

year. For each succeeding school year subsequent to the school year beginning July 1, 1978, and prior to the school year beginning July 1, 1981, the amount to fund media resource material, which shall only be used for the purchase and replacement of material required in section two hundred seventy-three point six (273.6), subsection one (1), paragraphs a, b and c, of the Code, shall be equal to the total amount funded in the area for media resource material in the base year times the sum of one hundred percent plus the state percent of growth.

Sec. 36. Section four hundred forty-two point twenty-seven (442.27), subsections four (4) through nine (9), Code 1977, are amended to read as follows:

4. For the budget year beginning July 1, 1975, the total amount funded in each area for other educational 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 educational services shall be the total amount funded in the area for other educational 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 educational 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 educational services shall be added to the district cost of that district for the

budget year as provided in section 442.9.

8. The department state board of public instruction and the state comptroller shall determine the total amounts funded in each area for media services and other educational 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 educational services, as applicable, except that if a nonpublic school pupil receives services through an area other than the area of the pupil's residence, the pupil shall be deemed to be served by the area of his residence, which shall by contractual arrangement reimburse the area through which the pupil actually receives services. For the budget year beginning July 1, 1975, the total number of nonpublic pupils served by each area education agency and the number of nonpublic school pupils residing within each school district in the area to be served by the area education agency for media and other educational services shall be submitted by the department of public instruction as approved by the state board to the state comptroller within one week after this Act is duly published. For school years subsequent to the school year beginning July 1, 1975, each school district

shall include in the second Friday in January enrollment report the number of nonpublic school pupils within each school district for media and ~~other~~ educational services served by the area.

Sec. 37.

1. The purpose of this section is to reduce the school district balances for special education instruction programs which were not expended for special education instruction.

2. For the purposes of this section, "unencumbered special education instruction funds" means those funds received by a school district for special education instruction programs for the school years beginning July 1, 1975, July 1, 1976, and July 1, 1977, for special education instruction which were not encumbered prior to January 1, 1978, or which were not an approved expenditure by the department of public instruction based upon applications for approval received by the department prior to January 1, 1978. The unencumbered special education instruction funds shall be those funds received for special education instruction programs based on funds raised for weighted enrollment in excess of the district cost per pupil times the adjusted enrollment in the year of receipt.

3. The state comptroller shall reduce the total state aid to be received by a school district in the school year beginning July 1, 1978, by sixty-five percent of the unencumbered special education instruction funds of the district. The amount shall be certified to the state comptroller by the department of public instruction upon request by the state comptroller.

4. Notwithstanding the provisions of section four hundred forty-two point nine (442.9) of the Code, for the school year beginning July 1, 1978, the state comptroller shall reduce for each school district the amount of property tax to be levied for the school year by an amount equal to thirty-five percent of the unencumbered special education instruction

funds.

5. Notwithstanding subsections three (3) and four (4) of this section, a school district receiving the minimum state aid under the provisions of section four hundred forty-two point one (442.1) of the Code, shall have the state aid to be received for the budget year beginning July 1, 1978, reduced by the portion of unencumbered special education instruction funds that two hundred dollars per pupil is of the school district's district cost per pupil for the school year beginning July 1, 1977. The property tax to be levied for the school district shall be reduced by the unencumbered special education instruction funds remaining after reduction for the state aid portion of such funds as provided in this subsection.

6. There is appropriated to the school budget review committee the sum of one million three hundred thousand (1,300,000) dollars, or so much thereof as may be necessary for the fiscal year commencing July 1, 1978 and ending June 30, 1979 from funds in the general fund of the state resulting from reduced state foundation aid to school districts for the school year beginning July 1, 1978 because of the reduction of state aid under subsections three (3) and five (5) of this section. The funds shall be distributed by the school budget review committee as supplemental aid to school districts which demonstrate unusual need for additional funds for special education instructional programs, and such supplemental aid shall be miscellaneous income and shall not be included in district cost.

7. There is appropriated to the school budget review committee the sum of two hundred thousand (200,000) dollars, or so much thereof as may be necessary for the fiscal year commencing July 1, 1978 and ending June 30, 1979 from funds in the general fund of the state for either the purposes set forth in subsection six (6) of this section or for general fund expenditures of the local school district as approved

by the school budget review committee.

Sec. 38. Notwithstanding the provisions of chapters two hundred seventy-three (273), two hundred eighty-one (281), and four hundred forty-two (442) of the Code, relating to the allocation of the special education support services costs to the school districts for the school year beginning July 1, 1978, and ending June 30, 1979, the state comptroller shall reduce the amount to be allocated among the school districts in each area education agency by the following balances. The following amounts shall be used by the area education agency to fund the reduction in special education support services costs allocated to the school districts in each area. The amount of the special education support services cost to be reduced for each area shall be equal to:

Area 1 .....	\$ 702,897
Area 2 .....	\$ 138,774
Area 3 .....	\$ 151,271
Area 4 .....	\$ 143,285
Area 6 .....	\$ 552,907
Area 7 .....	\$ 590,770
Area 9 .....	\$ 168,557
Area 10 .....	\$ 3,117
Area 11 .....	\$ 919,888
Area 12 .....	\$ 202,677
Area 13 .....	\$ 121,120
Area 14 .....	\$ 45,291
Area 15 .....	\$ 204,561

The state comptroller shall reduce the state cost per pupil for the school year beginning July 1, 1978 and ending June 30, 1979, by the average special education support services cost reduction per pupil in weighted enrollment computed by dividing the sum of the special education support services cost reductions provided in this section by the weighted enrollment in the state. The state comptroller shall reduce the foundation base for only the school year beginning July

1, 1978 and ending June 30, 1979, computed under section four hundred forty-two point three (442.3) of the Code, prior to reductions in special education support services costs under this section, by the amount per pupil in weighted enrollment that the state cost per pupil in weighted enrollment is reduced under this section. The state comptroller shall reduce each school district cost per pupil by the amount of the special education support services cost reduction per pupil in weighted enrollment in the area computed by dividing the reduction in the area of the special education support services cost by the weighted enrollment in the area.

Sec. 39. This Act, being deemed of immediate importance, shall take effect and be in force from and after its publication in The Sun & The Hawkeye Record-Herald, a newspaper published in Mount Vernon, Iowa, and in the Lenox Time Table, a newspaper published in Lenox, Iowa.

DALE M. COCHRAN  
Speaker of the House

ARTHUR A. NEU  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 463, Sixty-seventh General Assembly.

DAVID L. WRAY  
Chief Clerk of the House

Approved June 13, 1978

ROBERT D. RAY  
Governor