

Appropriations
Carr. Chair
Horn
Tiedens

*Amended from 1982
to 1983*

HOUSE FILE 184

FEB 9 1983

Pass 3/22 (p. 871)

BY COMMITTEE ON FINANCE

Place On Calendar:

(Formerly Study Bill 162)

Passed House, Date 2-14-83 (p. 402) Passed Senate, Date 3-28-83 (p. 986)

Vote: Ayes 96 Nays 2 Vote: Ayes 48 Nays 0

Approved April 11, 1983 (p. 1265)

Motion to reconsider (p. 409) withdrawn 2/15

Repass House for Senate amendment 3482

3-21-83 (p. 1009)
93-3

A BILL FOR

1 An Act relating to the financial management of state and local
2 programs by providing for the reduction, transfer, appropria-
3 tion or reversion of state and local funds; the time when
4 unclaimed deposits and refunds held by utilities are presumed
5 abandoned, crediting the unclaimed deposits and refunds, and
6 when abandoned property must be claimed from the treasurer
7 of state; relating to funds available to area education
8 agencies for special education support services; and relating
9 to the authority of the school budget review committee over
10 positive and negative balances of school district moneys for
11 special education instruction programs.

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

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95th Day THURSDAY, APRIL 14, 1983 1343
April 14, 1983

Mr. Joseph O'Hern
Chief Clerk
House of Representatives
LOCAL

Dear Mr. O'Hern:

I hereby certify that House File 184 was published in the Telegraph Herald, Dubuque, Iowa on April 13, 1983 and in the Quad City Times, Davenport, Iowa on April 13, 1983.

Respectfully submitted,
MARY JANE ODELL
Secretary of State

HF 184

DIVISION 1

Section 1. REVERSION OF UNENCUMBERED FUNDS IN STATE VEHICLE DISPATCHER'S DEPRECIATION FUND. Notwithstanding section 18.120, any appropriated moneys which have been credited or accrued to the depreciation fund of the state vehicle dispatcher by a state department or agency and which are unencumbered balances to the state department or agency through September 30, 1982 shall revert to the general fund of the state.

Sec. 2. NEW SECTION. 249.14 OLD-AGE ASSISTANCE REVOLVING FUND. The old-age assistance revolving fund shall remain in the state treasury until all property managed by the department and maintained by the fund is disposed of, at which time all money in the fund shall be transferred to the general fund of the state and the fund shall be closed. If the balance of the fund exceeds fifteen thousand dollars at the end of any calendar quarter, the excess over that amount shall be transferred to the general fund of the state.

Sec. 3. 1973 Iowa Acts, chapter 186, section 27, unnumbered paragraph 2, is amended by striking the unnumbered paragraph.

Sec. 4. 1981 Iowa Acts, chapter 11, section 11, subsection 2 and subsection 3, unnumbered paragraph 1, are amended to read as follows:

2. For capital improvements at the Iowa state penitentiary, including relocating the infirmary and visiting room.....	\$ 2,000,000	\$ 1,200,000
		<u>990,000</u>

For renovation and construction at the mental health institute at Mount Pleasant and planning for construction at the Iowa security medical facility.....	\$ 3,500,000	\$ 1,730,000
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1 3,120,000 130,000

2 Sec. 5. Five million fifty thousand (5,050,000) dollars
3 of the remaining funds appropriated by 1981 Iowa Acts, chap-
4 ter 11, section 11, subsection 4, and 1982 Iowa Acts, chapter
5 1256, section 2, for the fiscal year beginning July 1, 1982,
6 for construction of a new two hundred bed medium security
7 correctional facility at the Iowa security and medical facility
8 at Oakdale, shall revert to the general fund of the state.

9 Sec. 6. Fifty thousand (50,000) dollars of the remaining
10 funds appropriated by 1981 Iowa Acts, chapter 11, section
11 11, subsection 1, for the fiscal year beginning July 1, 1981,
12 for capital improvements at institutions under the department
13 of social services, shall revert to the general fund of the
14 state.

15 Sec. 7. Three hundred and fifty thousand (350,000) dollars
16 of the remaining funds appropriated by 1981 Iowa Acts, chapter
17 11, section 11, subsection 1, and 1982 Iowa Acts, chapter
18 1260, section 6, for the fiscal year beginning July 1, 1982,
19 for capital improvements at institutions under the department
20 of social services, shall revert to the general fund of the
21 state.

22 Sec. 8. 1982 Iowa Acts, chapter 1260, section 7, is amended
23 to read as follows:

24 SEC. 7. Acts of the Sixty-ninth General Assembly, 1981
25 Session, chapter 11, section 11, is amended by adding the
26 following new subsections:

27 NEW SUBSECTION. For municipal
28 waste treatment facilities at
29 the Glenwood state hospital-school,
30 the Eldora training school, and
31 the Independence mental health

32 institute \$ \$ 470,769
33 370,769

34 NEW SUBSECTION. For capital
35 improvements at the Iowa state

1 penitentiary \$ 500,000
 2 240,000

3 The appropriation under this subsection is contingent upon
 4 action of the executive council to rescind five hundred
 5 thousand (500,000) dollars of the one million one hundred
 6 thirty-five thousand (1,135,000) dollars set aside from the
 7 general fund by the executive council, pursuant to sections
 8 19.29 and 29C.20, to pay for equipment replacement, repair,
 9 rebuilding, rewiring, glass replacement, and overtime at the
 10 Iowa state penitentiary due to the inmate disturbance of
 11 September 2, 1981.

12 Sec. 9. There is appropriated from the general fund of
 13 the state to the department of social services for the fiscal
 14 year beginning July 1, 1983, and ending June 30, 1984, the
 15 following amounts, or so much thereof as is necessary, to
 16 be used for the purposes designated:

	1983-1984
	<u>Fiscal Year</u>
17	
18	
19 1. For capital improvements at	
20 institutions under the department	
21 of social services	\$ 400,000
22 2. For construction of addi-	
23 tional medium security correc-	
24 tional beds at the Iowa security	
25 and medical facility at Oakdale	
26 and at the mental health institute	
27 at Mount Pleasant	\$ 6,530,000
28 3. For capital improvements	
29 at the Iowa state penitentiary	\$ 970,000
30 4. For municipal waste treat-	
31 ment facilities at the Glenwood	
32 state hospital-school, the	
33 Eldora training school, and the	
34 Independence mental health in-	
35 stitute	\$ 100,000

1 5. Unobligated or unencumbered funds appropriated by this
2 section for the fiscal year beginning July 1, 1983, and ending
3 June 30, 1984, remaining on June 30, 1987, shall revert to
4 the general fund of the state on September 30, 1987. However,
5 if the projects for which these funds are appropriated are
6 completed prior to June 30, 1987, the remaining unobligated
7 or unencumbered funds shall revert to the general fund of
8 the state on September 30 following the end of the fiscal
9 year in which the projects are completed.

10 Sec. 10.

11 1. Notwithstanding section 222.92, moneys remaining in
12 the hospital-schools revolving fund on June 30, 1983, shall
13 revert to the general fund of the state on that date.

14 2. Section 222.92, Code 1983, is repealed.

15 Sec. 11. There is appropriated from the general fund of
16 the state to the department of social services, for the fiscal
17 year beginning July 1, 1983, and ending June 30, 1984, for
18 capital improvements at the state hospital-schools, the
19 following amount, or so much thereof as is necessary:

20	1983-1984
21	<u>Fiscal Year</u>
22	\$3,000,000

23 Unobligated or unencumbered funds appropriated by this
24 section for the fiscal year beginning July 1, 1983, and ending
25 June 30, 1984, remaining on June 30, 1987, shall revert to
26 the general fund of the state on September 30, 1987. However,
27 if the projects for which these funds are appropriated are
28 completed prior to June 30, 1987, the remaining unobligated
29 or unencumbered funds shall revert to the general fund of
30 the state on September 30 following the end of the fiscal
31 year in which the projects are completed.

32 DIVISION 2

33 Sec. 12. Section 556.4, subsections 1 and 2, Code 1983,
34 are amended to read as follows:

35 1. Any deposit made by a subscriber with a utility to

1 secure payment for, or any sum paid in advance for, utility
2 services to be furnished in this state, less any lawful
3 deductions, that has remained unclaimed by the person appearing
4 on the records of the utility entitled ~~thereto~~ to the deposit
5 for more than ~~seven~~ two years after the termination of the
6 services for which the deposit or advance payment was made.

7 2. Any sum which a utility has been ordered to refund
8 and which was received for utility services rendered in this
9 state, together with any interest ~~thereon~~ on the refund, less
10 any lawful deductions, that has remained unclaimed by the
11 person appearing on the records of the utility entitled ~~thereto~~
12 to the refund for more than ~~seven~~ two years after the date
13 it became payable in accordance with the final determination
14 or order providing for the refund.

15 Sec. 13. Section 556.18, Code 1983, is amended by adding
16 the following new subsection:

17 NEW SUBSECTION. After July 1, 1983, the treasurer of state
18 shall credit all funds received under section 556.4, after
19 a proportional amount has been deducted for the trust fund
20 under subsection 1 and any costs have been deducted under
21 subsection 2; to the energy research and development fund
22 created under section 93.14.

23 Sec. 14. Section 556.20, Code 1983, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. A claim filed under section 556.19 shall
26 be disallowed if it is filed after ten years from the date
27 of receipt of the property by the treasurer of state. This
28 subsection shall not apply to any claim filed before July
29 1, 1993.

30 Sec. 15. Section 93.14, Code 1983, is amended to read
31 as follows:

32 93.14 ENERGY RESEARCH AND DEVELOPMENT FUND. There is
33 created within the council an energy research and development
34 fund. Moneys deposited in the fund shall be used for the
35 research and development of projects designated to improve

1 Iowa's energy situation by developing improved methods of
2 energy conservation, by enabling Iowans to better manage
3 available energy resources, or through the increased
4 development and use of Iowa's renewable or nonrenewable energy
5 resources. Said The moneys credited to the fund under section
6 556.18 shall be used only for the weatherization or energy
7 assistance program administered by the council. The projects
8 will be selected by the council with the advice of
9 knowledgeable persons appointed by the council to provide
10 assistance.

11 Sec. 16. PAYMENT OF NEWLY ABANDONED DEPOSITS OR REFUNDS.
12 A utility shall remit all deposits or refunds presumed
13 abandoned as provided in section 12 of this Act to the
14 treasurer of state within thirty days after the effective
15 date of this Act or before June 30, 1983, whichever date is
16 earlier.

17 DIVISION 3

18 Sec. 17. Notwithstanding chapters 273 and 281 and sections
19 of this chapter relating to the moneys available to area
20 education agencies for special education support services,
21 for the school year beginning July 1, 1982 and ending June
22 30, 1983, the state comptroller shall deduct from the portions
23 of school district budgets that fund area education agency
24 special education support services the following amounts for
25 the listed areas:

26 Area 1.....	\$ 260,311
27 Area 2.....	\$ 47,566
28 Area 3.....	\$ 94,522
29 Area 4.....	\$ 282,467
30 Area 5.....	\$ 392,478
31 Area 6.....	\$ 221,135
32 Area 7.....	\$ 91,261
33 Area 9.....	\$ 168,425
34 Area 10.....	\$ 109,897
35 Area 11.....	\$1,385,693

1 Area 12.....	\$ 0
2 Area 13.....	\$ 200,404
3 Area 14.....	\$ 167,312
4 Area 15.....	\$ 102,716
5 Area 16.....	\$ 30,897

6 The state comptroller shall determine the amount deducted
7 from the budget of each school district in an area educa-
8 tion agency on a proportional basis. The state comptroller
9 shall determine from the amounts deducted from the portions
10 of school district budgets that fund area education agency
11 special education support services the amount that would have
12 been local property tax revenues and the amount that would
13 have been state aid. For the school year beginning July 1,
14 1983, the state comptroller shall increase the district's
15 total state school aids available under chapter 442 for area
16 education agency special education support services and reduce
17 the district's property tax levy for area education agency
18 special education support services by the amount necessary
19 to compensate for the property tax portion of the deductions
20 made in this section during the school year beginning July
21 1, 1982.

22 The amount deducted from a school district's budget shall
23 not affect the calculation of the state cost per pupil or
24 its district cost per pupil for that school year or a sub-
25 sequent school year.

26 Sec. 18. Action taken by the state board of public in-
27 struction prior to July 1, 1983 under section 442.7, subsection
28 7, paragraph h, directing the state comptroller to reduce
29 the allowable growth added to district cost per pupil in
30 weighted enrollment for the budget year beginning July 1,
31 1983 and ending June 30, 1984 for special education support
32 services costs in school districts located in area education
33 agencies one through seven, nine through eleven, and thirteen
34 through sixteen is nullified and the allowable growth is
35 restored.

1 Sec. 19. Section 442.7, subsection 7, paragraphs g and
2 h, Code 1983, are amended to read as follows:

3 g. For the school year beginning July 1, 1981 and
4 succeeding school years, the amount included in the district
5 cost per pupil in weighted enrollment for special education
6 support services costs for each district in an area education
7 agency for a budget year is the amount included in the district
8 cost per pupil in weighted enrollment for special education
9 support services costs in the base year plus the allowable
10 growth added to state cost per pupil for special education
11 support services costs for the budget year, except as provided
12 in paragraph h. Funds shall be paid to area education agencies
13 as provided in section 442.25.

14 h. For the school year beginning July 1, ~~1981~~ 1983 and
15 succeeding school years, the state board of public instruction
16 may direct the state comptroller to increase or reduce the
17 allowable growth added to district cost per pupil in weighted
18 enrollment for a budget year for special education support
19 services costs in an area education agency in the base year
20 based upon special education support services needs in the
21 area. However, an increase in the allowable growth can only
22 be granted by action of the state board to restore a previous
23 reduction or portion of a reduction in allowable growth for
24 that year or the previous year.

25 Sec. 20. Chapter 442, Code 1983, is amended by adding
26 the following new section as section 442.10:

27 NEW SECTION. 442.10 SPECIAL EDUCATION SUPPORT SERVICES
28 BALANCES. Notwithstanding chapters 273 and 281 and sections
29 of this chapter relating to the moneys available to area
30 education agencies for special education support services,
31 for the school year commencing July 1, 1983 and succeeding
32 school years, the state board of public instruction may direct
33 the state comptroller to deduct amounts from the portions
34 of school district budgets that fund special education support
35 services in an area education agency. The total amount de-

1 ducted in an area shall be based upon excess special education
2 support services unreserved and undesignated fund balances
3 in that area education agency for a school year. The state
4 comptroller shall determine the amount deducted from each
5 school district in an area education agency on a proportional
6 basis. The state comptroller shall determine from the amounts
7 deducted from the portions of school district budgets that
8 fund area education agency special education support services
9 the amount that would have been local property taxes and the
10 amount that would have been state aid and for the next fol-
11 lowing budget year shall increase the district's total state
12 school aids available under this chapter for area education
13 agency special education support services and reduce the
14 district's property tax levy for area education agency special
15 education support services by the amount necessary for the
16 property tax portion of the deductions made under this section
17 during the budget year.

18 The amount deducted from a school district's budget shall
19 not affect the calculation of the state cost per pupil or
20 its district cost per pupil in that school year or a subsequent
21 year.

22 Sec. 21. Section 442.9, subsection 1, paragraph a, Code
23 1983, is amended to read as follows:

24 a. As used in this chapter, "district cost per pupil"
25 for the school year beginning July 1, 1975, and subsequent
26 school years means district cost per pupil in weighted
27 enrollment. The district cost per pupil for the budget year
28 is equal to the district cost per pupil for the base year
29 plus the allowable growth. However, district cost per pupil
30 does not include additional allowable growth added for programs
31 for gifted and talented children under this chapter or for
32 school districts that have a negative balance of funds raised
33 for special education instruction programs under section
34 442.13, subsection 14, paragraph b, and does not include
35 additional allowable growth established by the school budget

1 review committee for a single school year only.

2 Sec. 22. Section 442.13, subsection 5, paragraph p, Code
3 1983, is amended by striking the paragraph.

4 Sec. 23. Section 442.13, subsection 14, Code 1983, is
5 amended by striking the subsection and inserting in lieu
6 thereof the following:

7 14. For the budget school year beginning July 1, 1982
8 and succeeding school years, as soon as possible following
9 June 30 of the base year, the school budget review committee
10 shall determine for each school district the balance of funds,
11 whether positive or negative, raised for special education
12 instruction programs under the special education weighting
13 plan established in section 281.9. The committee shall certify
14 the balance of funds for each school district to the state
15 comptroller.

16 a. If the amount certified for a school district to the
17 state comptroller under this subsection for the base year
18 is positive, the state comptroller shall subtract the amount
19 of the positive balance from the amount of state aid remaining
20 to be paid to the district during the budget year. If the
21 positive amount exceeds the amount of state aid that remains
22 to be paid to the district, the school district shall pay
23 the remainder on a quarterly basis prior to June 30 of the
24 budget year to the state comptroller from other funds received
25 by the district. The state comptroller shall determine the
26 amount of the positive balance that would have been local
27 property tax revenues and shall increase the district's total
28 state school aids available under this chapter for the next
29 following budget year by the amount so determined and shall
30 reduce the district's tax levy computed under section 442.9
31 for the next following budget year by the amount necessary
32 to compensate for the increased state aid.

33 b. If the amount certified for a school district to the
34 state comptroller under this subsection for the base year
35 is negative, the state comptroller shall determine the amount

1 of the deficit that would have been state aid and the amount
2 that would have been property taxes for each eligible school
3 district.

4 For the budget school year beginning July 1, 1982 and each
5 subsequent school year, there is appropriated from the general
6 fund of the state to the school budget review committee an
7 amount equal to the state aid portion of five percent of the
8 receipts for special education instruction programs in each
9 district that has a positive balance determined under paragraph
10 a for the base year, or the state aid portion of the positive
11 balance determined under paragraph a for the base year,
12 whichever is less, totaled on a statewide basis, to be used
13 for supplemental aid payments to school districts. Except
14 as otherwise provided in this paragraph, supplemental aid
15 paid to a district is equal to the state aid portion of the
16 district's deficit balance. The school budget review committee
17 shall direct the state comptroller to make the payments to
18 school districts under this paragraph.

19 A school district is eligible to receive supplemental aid
20 payments during the budget year if the school district
21 certifies to the school budget review committee that for the
22 year following the budget year it will request the school
23 budget review committee to instruct the state comptroller
24 to increase the district's allowable growth and will fund
25 the allowable growth increase either by using moneys from
26 its unexpended cash balance to reduce the district's property
27 tax levy or by using cash reserve moneys to equal the amount
28 of the deficit that would have been property taxes and any
29 part of the state aid portion of the deficit not received
30 as supplemental aid. The state comptroller shall make the
31 necessary adjustments to the school district's budget to
32 provide the additional allowable growth and shall make the
33 supplemental aid payments.

34 If the amount appropriated under this paragraph is
35 insufficient to make the supplemental aid payments, the state

1 comptroller shall prorate the payments on the basis of the
2 amount appropriated.

3 Sec. 24. This Act takes effect upon its publication.
4 However, section 10, subsection 2 of division 1 of this Act
5 takes effect July 1, 1983.

6 Sec. 25. This Act, being deemed of immediate importance,
7 takes effect from and after its publication in the Telegraph
8 Herald, a newspaper published in Dubuque, Iowa, and in the
9 Quad City Times, a newspaper published in Davenport, Iowa.

10

EXPLANATION

11 Division 1 of this bill provides that moneys which have
12 been credited or accrued to the depreciation fund of the state
13 vehicle dispatcher by a state department or agency for the
14 replacement or addition to the vehicle fleet owned by the
15 state department and which are unencumbered balances to the
16 state department or agency through September 30, 1982 shall
17 revert to the general fund of the state.

18 Division 1 also transfers \$185,000 from the old-age
19 assistance revolving fund to the general fund of the state,
20 and maintains the revolving fund at \$15,000, instead of
21 \$200,000, until the revolving fund is closed.

22 It reduces by \$8,000,000 the 1981-1982 and 1982-1983 fiscal
23 year appropriations to the department of social services
24 for capital improvements at the department's correctional,
25 mental health, and mental retardation facilities, and
26 appropriates \$8,000,000 to the department of social services
27 for the 1983-1984 fiscal year for capital improvements at
28 the department's correctional, mental health, and mental
29 retardation facilities.

30 Finally, division 1 reverts all moneys remaining in the
31 mental retardation hospital-schools revolving fund on June
32 30, 1983, to the general fund of the state. The revolving
33 fund is abolished effective July 1, 1983. The bill
34 appropriates \$3,000,000 to the department of social services
35 for capital improvements at the hospital-schools for the 1983-

1 1984 fiscal year.

2 Division 2 of this bill provides that an unclaimed deposit
3 remaining with a utility for two years after the utility
4 service is terminated with the person who gave the deposit
5 or an unclaimed refund remaining with a utility for two years
6 after it became payable to the person to which it is due,
7 is presumed abandoned. The abandoned moneys are reported
8 and paid to the treasurer of state who shall credit it to
9 the general fund of the state as otherwise provided in chapter
10 556 for the current fiscal year and credited to the energy
11 research and development fund for future fiscal years. Under
12 current law, the deposit or refund must remain unclaimed for
13 seven years before being considered abandoned. The division
14 also provides that abandoned property deposited with the
15 treasurer of state cannot be claimed after ten years from
16 the date of receipt, effective July 1, 1993.

17 Division 3 of this bill relates to special education support
18 services funds of area education agencies.

19 It reduces balances in area education agencies of special
20 education support services moneys remaining on June 30, 1982
21 from budgets of the area education agencies, and from the
22 portion of the budgets of school districts that fund area
23 education agencies, for the year beginning July 1, 1982 and
24 provides for an adjustment to state aid and property tax for
25 the next year.

26 It provides that the action of the state board of public
27 instruction to reduce the allowable growth for special
28 education support services of area education agencies is
29 nullified and the allowable growth is restored.

30 It gives the state board of public instruction the authority
31 to increase allowable growth of school districts for special
32 education support services of area education agencies beginning
33 July 1, 1983 in order to restore a previous reduction or
34 portion of a reduction in allowable growth for that year or
35 the previous year.

1 It gives the state board of public instruction the authority
2 beginning July 1, 1983 to direct the state comptroller to
3 deduct amounts from the portion of school district budgets
4 funding area education agency special education support
5 services based upon positive fund balances and provides for
6 an adjustment to state aid and property tax for the next year.

7 In addition, division 3 of the bill grants the school
8 budget review committee the authority to determine the positive
9 and negative balances of funds of school districts for special
10 education instruction programs under the special education
11 weighting plan and to certify these amounts to the state
12 comptroller. For those districts that have a positive balance
13 of funds at the end of a school year, the state comptroller
14 will reduce the state aid remaining to be paid the next year,
15 or require payments from the district, and adjust property
16 taxes and state aid the next following year. For those
17 districts that have a negative balance of funds at the end
18 of a school year, the state comptroller will pay the state
19 aid portion of the deficit as supplemental payments if the
20 district is willing to use money to increase its allowable
21 growth for the property tax portion of the deficit. Division
22 3 provides an appropriation to the school budget review
23 committee based upon the amount of positive balances recovered
24 for payments to districts with deficit balances. The Act
25 takes effect upon its publication. However subsection 2 of
26 section 10 is effective July 1, 1983.

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HOUSE FILE 184

STATE OF IOWA
F I S C A L N O T E

LSB No. 953H
Request No. 83-166
Staff ID JMN

In compliance with a written request received February 4, 1983, there is hereby submitted a Fiscal Note for H. F. 184 pursuant to Joint Rule 17. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

Section 1 of H. F. 184 provides that moneys which have been credited or accrued to the depreciation fund of the state vehicle dispatcher shall revert to the General Fund. This section applies only to moneys contributed by a state department or agency for the replacement or addition to the state vehicle fleet, and which are unencumbered through September 30, 1982.

Section 2 transfers \$185,000 from the old-age assistance revolving fund to the General Fund of the state, leaving \$15,000 in the revolving fund.

Sections 3 through 9 reduce by \$8,000,000 the 1981-1982 and 1982-1983 fiscal year appropriations to the department of social services for capital improvements at correctional, mental health and mental retardation facilities. \$8,000,000 is appropriated to the department of social services for the 1983-1984 fiscal year for capital improvements.

Sections 10 and 11 reverts all moneys remaining in the mental retardation hospital-schools revolving fund on June 30, 1983 to the General Fund. The revolving fund is abolished effective July 1, 1983. \$3,000,000 is appropriated to the department of social services for capital improvements at the hospital-schools for the 1983-1984 fiscal year.

It is estimated that Sections 1 through 11 will result in revenue to the General Fund of \$16,685,000 in FY 1983, and expenditures of \$11,000,000 in FY 1984. This includes:

Section 1	\$ 2,500,000	'83 revenue
Section 2	185,000	'83 revenue
Section 3 through 9	8,000,000	'83 revenue
	8,000,000	'84 expenditure
Sections 10 and 11	6,000,000	'83 revenue
	3,000,000	'84 expenditure

Sections 12 through 16 of this bill provides that unclaimed utility deposits shall be considered abandoned two years after termination of service, and unclaimed utility refunds shall be considered abandoned two years after the date they became payable. Under current law deposits and refunds must remain unclaimed for seven years before being considered abandoned.

The abandoned funds would be reported and paid to the treasurer of state. Funds received on or before June 30, 1983 would be credited to the general fund. Funds received after July 1, 1983 would be

Two of Fiscal Note to H.F. 184

credited to a trust fund for the payment of claims until the fund has twenty-five thousand dollars, and additional receipts will be applied to any costs related to the administration of abandoned property. Remaining funds shall be credited to the energy research and development fund created under section 93.14, Code of Iowa; these funds can only be used for the weatherization or energy assistance program administered by the Energy Policy Council.

The bill also provides that, effective July 1, 1993, abandoned property credited to the General Fund could not be claimed after ten years from the date of receipt by the treasurer.

It is estimated that division two will result in approximately \$3,000,000 being credited to the General Fund for FY 1983.

Section 17 reduces balances in area education agencies of special education support services moneys remaining on June 30, 1982 from budgets of school districts that fund area education agencies, for the year beginning July 1, 1982 and provides for an adjustment to state aid and property tax for the next year.

Section 18 provides that the action of the state board of public instructions to reduce the allowable growth for special education support services of area education agencies is nullified and the allowable growth is restored.

Section 19 gives the state board of public instruction the authority to increase allowable growth of school districts for special education support services of area education agencies beginning July 1, 1983 in order to restore a previous reduction or portion of a reduction in allowable growth for that year or the previous year.

Section 20 gives the state board of public instruction the authority beginning July 1, 1983 to direct the state comptroller to deduct amounts from the portion of school district budgets funding area education agency special education support services based upon positive fund balances and provides for an adjustment to state aid and property tax for the next year.

Section 17 of this bill will return \$3,555,084 to the state from balances carried forward for the school year beginning July 1, 1982. The state comptroller shall determine what portion of the \$3,555,084 would have been property tax and what portion would have been state aid. The comptroller will increase the districts' total state school aids available for area education agency special education support services and reduce the districts' property tax levy for area education support services by the amount necessary to compensate for the local property tax deductions. To determine what portion of the \$3,555,084 will go back to property tax a calculation would need to be done for each individual school district to find out the mix between property tax and school aid.

Sections 21, 22, 23 of this bill grants the school budget review committee the authority to determine the positive and negative balances of funds of school districts for special education instruction programs under the special education weighting plan and to certify these amounts to the state comptroller. For those districts that have a positive balance of funds at the end of a school year, the state comptroller will reduce the state aid remaining to be paid the next year, or require payments from the district, and adjust property taxes and state aid the next

Page Three of Fiscal Note to H.F. 184

following year. For those districts that have a negative balance of funds at the end of a school year, the state comptroller will pay the state aid portion of the deficit as supplemental payments if the district is willing to use money from its cash reserve and to levy additional property taxes for the property tax portion of the deficit. The bill provides an appropriation to the state comptroller based upon the amount of positive balances recovered for payments to districts with deficit balances. It provides for prorating the supplemental payments if the amount appropriated is insufficient.

There currently is a positive balance of \$8,654,449. This amount is made up of both state aid dollars and property tax dollars. To actually determine what portion of that amount will come back to the state, the calculations would need to be done for each individual district to find out the mix between property tax and state aid.

It is estimated that the negative balances will amount to \$1,937,872. This amount will also be made up of both state aid and property tax dollars. Again, to actually determine what portion of that amount will come back to the state, calculations would need to be done for each individual district to find out the mix between property tax and state aid.

Estimated fiscal impact:

- Division I would result in \$16,685,000 in revenue in FY 1983 and appropriations of \$11,000,000 in FY 1984.
- Division II would result in \$3,000,000 in revenue in FY 1983.
- Division III would result in \$12,209,533 in revenue in FY 1983 and undetermined expenditures in FY 1983 and FY 1984.

FILED FEBRUARY 9, 1983 BY DENNIS PROUTY, Fiscal Director

HOUSE FILE 184

S-3247

1 Amend House File 184, as passed by the House, as
2 follows:
3 1. Page 5, by inserting after line 14 the
4 following:
5 "Sec. ____ . Section 556.18, subsection 1, Code
6 1983, is amended to read as follows:
7 1. ~~All~~ Except as provided in section 13 of this
8 Act, all funds received under this chapter, including
9 the proceeds from the sale of abandoned property under
10 section 556.17, shall forthwith be deposited by the
11 state treasurer of state in the general funds of the
12 state; -except-that. However, the treasurer shall
13 retain in a separate trust fund an amount not exceeding
14 twenty-five thousand dollars from which he the
15 treasurer shall make prompt payment of claims duly
16 allowed by him-as-hereinafter-provided under section
17 556.20. Any abandoned money or money received from
18 the sale of abandoned property which totals twenty-
19 five dollars or less becomes the property of the state

HOUSE FILE 184

S-3361

1 Amend the amendment S-3247 to House File 184 as
2 passed by the House as follows:
3 1. Page 1, line 22, by inserting after the word
4 "not" the word "be".

S-3361 FILED & ADOPTED
MARCH 28, 1983 (p. 985)

BY ARTHUR A. SMALL, JR.

~~29 listed in the report of a title insurance~~
30 its number, the name of the corporation, and the
31 amount due. The record shall be available for public
32 inspection at all reasonable business hours."
33 2. Page 5, by striking lines 24 through 29 and
34 inserting in lieu thereof the following: "the following
35 new subsections:
36 NEW SUBSECTION. A claim for recovery of abandoned
37 money or money received from the sale of abandoned
38 property under section 556.17 of more than twenty-
39 five dollars shall not be allowed if it is filed after
40 ten years from the date of receipt of the abandoned
41 property by the treasurer of state.
42 NEW SUBSECTION. Any abandoned property, other
43 than money, which has an appraised value of more than
44 twenty-five dollars but is not sold under section
45 556.17, shall be kept for ten years from the date
46 of receipt by the treasurer of state. After the
47 expiration of ten years, the treasurer of state may
48 dispose of the abandoned property.
49 NEW SUBSECTION. Any abandoned property, other
50 than money, which has an appraised value of twenty-

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PAGE 2

1 five dollars or less and is not sold or offered for
2 sale under section 556.17, may be disposed of by the
3 treasurer of state.

4 NEW SUBSECTION. After abandoned property has been
5 disposed of as provided in section 556.18 or this
6 section, records relating to the abandoned property
7 may be destroyed by the treasurer of state.

8 Sec. ____ ABANDONED PROPERTY RECEIVED BEFORE JULY
9 1, 1983. Any abandoned property, other than money,
10 received by the treasurer of state under chapter 556
11 before July 1, 1973, and not sold under section 556.17
12 may be disposed of as determined by the treasurer
13 of state. Effective July 1, 1983, a claim to recover
14 abandoned property received by the treasurer of state
15 before July 1, 1973 under chapter 556 shall not be
16 allowed. Records relating to the abandoned property
17 received before July 1, 1973 may also be destroyed
18 by the treasurer of state. Abandoned property received
19 by the treasurer of state on or after July 1, 1973,
20 shall be disposed of as provided in section 556.18
21 or 556.20."

22 3. By renumbering sections to conform with this
23 amendment.

S-3247 FILED

BY COMMITTEE ON APPROPRIATIONS

MARCH 17, 1983

ARTHUR SIALLE, CHAIR

Adopted as amended by 3361 3/28/83 (p. 986) HOUSE FILE 184

S-3357

1 Amend House File 184, as passed by the House, as
2 follows:

3 1. Page 4, by striking line 14.

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

6 "Sec. ____ Section 222.92, subsection 1, Code
7 1983, is amended to read as follows:

8 1. There is created a revolving fund within the
9 state treasury to be known as the "hospital-schools
10 revolving fund" which shall be used and administered
11 as provided in this section. The hospital-schools
12 revolving fund shall ~~may~~ be used for capital projects
13 at the Glenwood and Woodward hospital-schools, which
14 capital projects will bring the hospital-schools into
15 compliance with federal and state standards relating
16 to physical facilities in order to have approved
17 mental retardation-intermediate care facilities as
18 authorized under title XIX of the United States Social
19 Security Act."

20 3. Page 4, by inserting before line 15 the
21 following:

22 "Sec. ____ Section 222.92, Code 1983, is amended
23 by adding the following new subsection:

24 NEW SUBSECTION. The hospital-schools revolving
25 fund may be used for mental retardation services
26 provided pursuant to chapter 225C."

27 4. By renumbering as necessary.

S-3357 FILED & LOST
MARCH 28, 1983 (p. 985)

BY JULIA GENTLEMAN

SENATE AMENDMENT TO HOUSE FILE 184

H-3432

1 Amend House File 184, as passed by the House, as
2 follows:

3 1. Page 5, by inserting after line 14 the
4 following:

5 "Sec. ____ . Section 556.18, subsection 1, Code
6 1983, is amended to read as follows:

7 1. ~~All~~ Except as provided in section 13 of this
8 Act, all funds received under this chapter, including
9 the proceeds from the sale of abandoned property under
10 section 556.17, shall ~~forthwith~~ be deposited by the
11 state treasurer of state in the general fund of the
12 state, ~~except that~~. However, the treasurer shall
13 retain in a separate trust fund an amount not exceeding
14 twenty-five thousand dollars from which he the
15 treasurer shall make prompt payment of claims duly
16 allowed by him as hereinafter provided under section
17 556.17. Any abandoned money or money received from
18 the sale of abandoned property which totals twenty-
19 five dollars or less becomes the property of the state
20 on the date of receipt or sale as applicable and a
21 claim filed for its recovery under section 556.19
22 shall not be allowed. Before making the deposit of
23 more than twenty-five dollars, he the treasurer of
24 state shall record the name and last known address
25 of each person appearing from the holders' reports
26 to be entitled to the abandoned property and of the
27 name and last known address of each insured person
28 or annuitant, and with respect to each policy or
29 contract listed in the report of a life insurance
30 corporation, its number, the name of the corporation,
31 and the amount due. The record shall be available
32 for public inspection at all reasonable business
33 hours."

34 2. Page 5, by striking lines 24 through 29 and
35 inserting in lieu thereof the following: "the following
36 new subsections:

37 NEW SUBSECTION. A claim for recovery of abandoned
38 money or money received from the sale of abandoned
39 property under section 556.17 of more than twenty-
40 five dollars shall not be allowed if it is filed after
41 ten years from the date of receipt of the abandoned
42 property by the treasurer of state.

43 NEW SUBSECTION. Any abandoned property, other
44 than money, which has an appraised value of more than
45 twenty-five dollars but is not sold under section
46 556.17, shall be kept for ten years from the date
47 of receipt by the treasurer of state. After the
48 expiration of ten years, the treasurer of state may
49 dispose of the abandoned property.

50 NEW SUBSECTION. Any abandoned property, other

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Page Two

1 than money, which has an appraised value of twenty-
2 five dollars or less and is not sold or offered for
3 sale under section 556.17, may be disposed of by the
4 treasurer of state.

5 NEW SUBSECTION. After abandoned property has been
6 disposed of as provided in section 556.18 or this
7 section, records relating to the abandoned property
8 may be destroyed by the treasurer of state.

9 Sec. ____ ABANDONED PROPERTY RECEIVED BEFORE JULY
10 1, 1983. Any abandoned property, other than money,
11 received by the treasurer of state under chapter 556
12 before July 1, 1973, and not sold under section 556.17
13 may be disposed of as determined by the treasurer
14 of state. Effective July 1, 1983, a claim to recover
15 abandoned property received by the treasurer of state
16 before July 1, 1973 under chapter 556 shall not be
17 allowed. Records relating to the abandoned property
18 received before July 1, 1973 may also be destroyed
19 by the treasurer of state. Abandoned property received
20 by the treasurer of state on or after July 1, 1973,
21 shall be disposed of as provided in section 556.18
22 or 556.20."

23 3. By renumbering sections to conform with this
24 amendment.

H-3432 FILED MARCH 28, 1983

RECEIVED FROM THE SENATE

Same concurred 3/31/83 (71009)

HOUSE FILE 184

AN ACT

RELATING TO THE FINANCIAL MANAGEMENT OF STATE AND LOCAL PROGRAMS BY PROVIDING FOR THE REDUCTION, TRANSFER, APPROPRIATION OR REVERSION OF STATE AND LOCAL FUNDS; THE TIME WHEN UNCLAIMED DEPOSITS AND REFUNDS HELD BY UTILITIES ARE PRESUMED ABANDONED, CREDITING THE UNCLAIMED DEPOSITS AND REFUNDS, AND WHEN ABANDONED PROPERTY MUST BE CLAIMED FROM THE TREASURER OF STATE; RELATING TO FUNDS AVAILABLE TO AREA EDUCATION AGENCIES FOR SPECIAL EDUCATION SUPPORT SERVICES, AND RELATING TO THE AUTHORITY OF THE SCHOOL BUDGET REVIEW COMMITTEE OVER POSITIVE AND NEGATIVE BALANCES OF SCHOOL DISTRICT MONIES FOR SPECIAL EDUCATION INSTRUCTION PROGRAMS

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

DIVISION 1

Section 1. REVERSION OF UNENCUMBERED FUNDS IN STATE VEHICLE DISPATCHER'S DEPRECIATION FUND. Notwithstanding section 18.120, any appropriated moneys which have been credited or accrued to the depreciation fund of the state vehicle dispatcher by a state department or agency and which are unencumbered balances to the state department or agency through September 30, 1982 shall revert to the general fund of the state.

Sec. 2. NEW SECTION. 249.14 OLD-AGE ASSISTANCE REVOLVING FUND. The old-age assistance revolving fund shall remain in the state treasury until all property managed by the department and maintained by the fund is disposed of, at which time all money in the fund shall be transferred to the general fund of the state and the fund shall be closed. If the balance of the fund exceeds fifteen thousand dollars at the end of any calendar quarter, the excess over that amount shall be transferred to the general fund of the state.

Sec. 3. 1973 Iowa Acts, chapter 186, section 27, unnumbered paragraph 2, is amended by striking the unnumbered paragraph.

Sec. 4. 1981 Iowa Acts, chapter 11, section 11, subsection 2 and subsection 3, unnumbered paragraph 1, are amended to read as follows:

2. For capital improvements at the Iowa state penitentiary, including relocating the infirmary and visiting room	\$ 2,000,000	\$ 1,200,000
		900,000

For renovation and construction at the mental health institute at Mount Pleasant and planning for construction at the Iowa security medical facility	\$ 3,500,000	\$ 1,330,000
	3,120,000	130,000

Sec. 5. Five million fifty thousand (5,050,000) dollars of the remaining funds appropriated by 1981 Iowa Acts, chapter 11, section 11, subsection 4, and 1982 Iowa Acts, chapter 1256, section 2, for the fiscal year beginning July 1, 1982, for construction of a new two hundred bed medium security correctional facility at the Iowa security and medical facility at Oakdale, shall revert to the general fund of the state.

Sec. 6. Fifty thousand (50,000) dollars of the remaining funds appropriated by 1981 Iowa Acts, chapter 11, section 11, subsection 1, for the fiscal year beginning July 1, 1981, for capital improvements at institutions under the department of social services, shall revert to the general fund of the state.

Sec. 7. Three hundred and fifty thousand (350,000) dollars of the remaining funds appropriated by 1981 Iowa Acts, chapter 11, section 11, subsection 1, and 1982 Iowa Acts, chapter 1260, section 6, for the fiscal year beginning July 1, 1982,

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following amount, or so much thereof as is necessary:

	1983-1984
<u>Fiscal Year</u>	
	\$3,000,000

Unobligated or unencumbered funds appropriated by this section for the fiscal year beginning July 1, 1983, and ending June 30, 1984, remaining on June 30, 1987, shall revert to the general fund of the state on September 30, 1987. However, if the projects for which these funds are appropriated are completed prior to June 30, 1987, the remaining unobligated or unencumbered funds shall revert to the general fund of the state on September 30 following the end of the fiscal year in which the projects are completed.

DIVISION 2

Sec. 12. Section 556.4, subsections 1 and 2, Code 1983, are amended to read as follows:

1. Any deposit made by a subscriber with a utility to secure payment for, or any sum paid in advance for, utility services to be furnished in this state, less any lawful deductions, that has remained unclaimed by the person appearing on the records of the utility entitled thereto to the deposit for more than seven two years after the termination of the services for which the deposit or advance payment was made.

2. Any sum which a utility has been ordered to refund and which was received for utility services rendered in this state, together with any interest ~~thereon~~ on the refund, less any lawful deductions, that has remained unclaimed by the person appearing on the records of the utility entitled thereto to the refund for more than seven two years after the date it became payable in accordance with the final determination or order providing for the refund.

Sec. 13. Section 556.18, subsection 1, Code 1983, is amended to read as follows:

1. ~~All~~ Except as provided in section 14 of this Act, all funds received under this chapter, including the proceeds

from the sale of abandoned property under section 556.17, shall ~~forthwith~~ be deposited by the state treasurer of state in the general funds of the state; ~~except that.~~ However, the treasurer shall retain in a separate trust fund an amount not exceeding twenty-five thousand dollars from which ~~he~~ the treasurer shall make prompt payment of claims duly allowed ~~by him as hereinafter provided under section 556.17.~~ Any abandoned money or money received from the sale of abandoned property which totals twenty-five dollars or less becomes the property of the state on the date of receipt or sale as applicable and a claim filed for its recovery under section 556.19 shall not be allowed. Before making the deposit of more than twenty-five dollars, ~~he~~ the treasurer of state shall record the name and last known address of each person appearing from the holders' reports to be entitled to the abandoned property and of the name and last known address of each insured person or annuitant, and with respect to each policy or contract listed in the report of a life insurance corporation, its number, the name of the corporation, and the amount due. The record shall be available for public inspection at all reasonable business hours.

Sec. 14. Section 556.18, Code 1983, is amended by adding the following new subsection:

NEW SUBSECTION. After July 1, 1983, the treasurer of state shall credit all funds received under section 556.4, after a proportional amount has been deducted for the trust fund under subsection 1 and any costs have been deducted under subsection 2, to the energy research and development fund created under section 93.14.

Sec. 15. Section 556.20, Code 1983, is amended by adding the following new subsections:

NEW SUBSECTION. A claim for recovery of abandoned money or money received from the sale of abandoned property under section 556.17 of more than twenty-five dollars shall not be allowed if it is filed after ten years from the date of receipt of the abandoned property by the treasurer of state.

NEW SUBSECTION. Any abandoned property, other than money, which has an appraised value of more than twenty-five dollars but is not sold under section 556.17, shall be kept for ten years from the date of receipt by the treasurer of state. After the expiration of ten years, the treasurer of state may dispose of the abandoned property.

NEW SUBSECTION. Any abandoned property, other than money, which has an appraised value of twenty-five dollars or less and is not sold or offered for sale under section 556.17, may be disposed of by the treasurer of state.

NEW SUBSECTION. After abandoned property has been disposed of as provided in section 556.18 or this section, records relating to the abandoned property may be destroyed by the treasurer of state.

Sec. 16. ABANDONED PROPERTY RECEIVED BEFORE JULY 1, 1983. Any abandoned property, other than money, received by the treasurer of state under chapter 556 before July 1, 1973, and not sold under section 556.17 may be disposed of as determined by the treasurer of state. Effective July 1, 1983, a claim to recover abandoned property received by the treasurer of state before July 1, 1973 under chapter 556 shall not be allowed. Records relating to the abandoned property received before July 1, 1973 may also be destroyed by the treasurer of state. Abandoned property received by the treasurer of state on or after July 1, 1973, shall be disposed of as provided in section 556.18 or 556.20.

Sec. 17. Section 93.14, Code 1983, is amended to read as follows:

93.14 ENERGY RESEARCH AND DEVELOPMENT FUND. There is created within the council an energy research and development fund. Moneys deposited in the fund shall be used for the research and development of projects designated to improve Iowa's energy situation by developing improved methods of energy conservation, by enabling Iowans to better manage available energy resources, or through the increased

development and use of Iowa's renewable or nonrenewable energy resources. ~~Said The moneys credited to the fund under section 556.18 shall be used only for the weatherization or energy assistance program administered by the council.~~ The projects will be selected by the council with the advice of knowledgeable persons appointed by the council to provide assistance.

Sec. 18. PAYMENT OF NEWLY ABANDONED DEPOSITS OR REFUNDS. A utility shall remit all deposits or refunds presumed abandoned as provided in section 12 of this Act to the treasurer of state within thirty days after the effective date of this Act or before June 30, 1983, whichever date is earlier.

DIVISION 3

Sec. 19. Notwithstanding chapters 273 and 281 and sections of this chapter relating to the moneys available to area education agencies for special education support services, for the school year beginning July 1, 1982 and ending June 30, 1983, the state comptroller shall deduct from the portions of school district budgets that fund area education agency special education support services the following amounts for the listed areas.

Area 1	\$ 260,311
Area 2	\$ 47,566
Area 3	\$ 94,522
Area 4	\$ 282,467
Area 5	\$ 392,478
Area 6	\$ 221,135
Area 7	\$ 91,251
Area 9	\$ 168,425
Area 10	\$ 109,897
Area 11	\$1,385,693
Area 12	\$ 0
Area 13	\$ 200,404
Area 14	\$ 167,312

Area 15	\$ 102,716
Area 16	\$ 30,897

The state comptroller shall determine the amount deducted from the budget of each school district in an area education agency on a proportional basis. The state comptroller shall determine from the amounts deducted from the portions of school district budgets that fund area education agency special education support services the amount that would have been local property tax revenues and the amount that would have been state aid. For the school year beginning July 1, 1983, the state comptroller shall increase the district's total state school aids available under chapter 442 for area education agency special education support services and reduce the district's property tax levy for area education agency special education support services by the amount necessary to compensate for the property tax portion of the deductions made in this section during the school year beginning July 1, 1982.

The amount deducted from a school district's budget shall not affect the calculation of the state cost per pupil or its district cost per pupil for that school year or a subsequent school year.

Sec. 20. Action taken by the state board of public instruction prior to July 1, 1983 under section 442.7, subsection 7, paragraph h, directing the state comptroller to reduce the allowable growth added to district cost per pupil in weighted enrollment for the budget year beginning July 1, 1983 and ending June 30, 1984 for special education support services costs in school districts located in area education agencies one through seven, nine through eleven, and thirteen through sixteen is nullified and the allowable growth is restored.

Sec. 21. Section 442.7, subsection 7, paragraphs g and h, Code 1983, are amended to read as follows:

g. For the school year beginning July 1, 1981 and succeeding school years, the amount included in the district cost per pupil in weighted enrollment for special education support services costs for each district in an area education agency for a budget year is the amount included in the district cost per pupil in weighted enrollment for special education support services costs in the base year plus the allowable growth added to state cost per pupil for special education support services costs for the budget year, except as provided in paragraph h. Funds shall be paid to area education agencies as provided in section 442.25.

h. For the school year beginning July 1, ~~1982~~ 1983 and succeeding school years, the state board of public instruction may direct the state comptroller to increase or reduce the allowable growth added to district cost per pupil in weighted enrollment for a budget year for special education support services costs in an area education agency in the base year based upon special education support services needs in the area. However, an increase in the allowable growth can only be granted by action of the state board to restore a previous reduction or portion of a reduction in allowable growth for that year or the previous year.

Sec. 22. Chapter 442, Code 1983, is amended by adding the following new section as section 442.10:

NEW SECTION. 442.10 SPECIAL EDUCATION SUPPORT SERVICES BALANCES. Notwithstanding chapters 273 and 281 and sections of this chapter relating to the moneys available to area education agencies for special education support services, for the school year commencing July 1, 1983 and succeeding school years, the state board of public instruction may direct the state comptroller to deduct amounts from the portions of school district budgets that fund special education support services in an area education agency. The total amount deducted in an area shall be based upon excess special education support services unreserved and undesignated fund balances

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in that area education agency for a school year. The state comptroller shall determine the amount deducted from each school district in an area education agency on a proportional basis. The state comptroller shall determine from the amounts deducted from the portions of school district budgets that fund area education agency special education support services the amount that would have been local property taxes and the amount that would have been state aid and for the next following budget year shall increase the district's total state school aids available under this chapter for area education agency special education support services and reduce the district's property tax levy for area education agency special education support services by the amount necessary for the property tax portion of the deductions made under this section during the budget year.

The amount deducted from a school district's budget shall not affect the calculation of the state cost per pupil or its district cost per pupil in that school year or a subsequent year.

Sec. 23. Section 442.9, subsection 1, paragraph a, Code 1983, is amended to read as follows:

a. As used in this chapter, "district cost per pupil" for the school year beginning July 1, 1975, and subsequent school years means district cost per pupil in weighted enrollment. The district cost per pupil for the budget year is equal to the district cost per pupil for the base year plus the allowable growth. However, district cost per pupil does not include additional allowable growth added for programs for gifted and talented children under this chapter or for school districts that have a negative balance of funds raised for special education instruction programs under section 442.13, subsection 14, paragraph b, and does not include additional allowable growth established by the school budget review committee for a single school year only.

Sec. 24. Section 442.13, subsection 5 paragraph p, Code 1983, is amended by striking the paragraph.

Sec. 25. Section 442.13, subsection 14, Code 1983, is amended by striking the subsection and inserting in lieu thereof the following:

14. For the budget school year beginning July 1, 1982 and succeeding school years, as soon as possible following June 30 of the base year, the school budget review committee shall determine for each school district the balance of funds, whether positive or negative, raised for special education instruction programs under the special education weighting plan established in section 281.9. The committee shall certify the balance of funds for each school district to the state comptroller.

a. If the amount certified for a school district to the state comptroller under this subsection for the base year is positive, the state comptroller shall subtract the amount of the positive balance from the amount of state aid remaining to be paid to the district during the budget year. If the positive amount exceeds the amount of state aid that remains to be paid to the district, the school district shall pay the remainder on a quarterly basis prior to June 30 of the budget year to the state comptroller from other funds received by the district. The state comptroller shall determine the amount of the positive balance that would have been local property tax revenues and shall increase the district's total state school aids available under this chapter for the next following budget year by the amount so determined and shall reduce the district's tax levy computed under section 442.9 for the next following budget year by the amount necessary to compensate for the increased state aid.

b. If the amount certified for a school district to the state comptroller under this subsection for the base year is negative, the state comptroller shall determine the amount of the deficit that would have been state aid and the amount

that would have been property taxes for each eligible school district.

For the budget school year beginning July 1, 1982 and each subsequent school year, there is appropriated from the general fund of the state to the school budget review committee an amount equal to the state aid portion of five percent of the receipts for special education instruction programs in each district that has a positive balance determined under paragraph a for the base year, or the state aid portion of the positive balance determined under paragraph a for the base year, whichever is less, totaled on a statewide basis, to be used for supplemental aid payments to school districts. Except as otherwise provided in this paragraph, supplemental aid paid to a district is equal to the state aid portion of the district's deficit balance. The school budget review committee shall direct the state comptroller to make the payments to school districts under this paragraph.

A school district is eligible to receive supplemental aid payments during the budget year if the school district certifies to the school budget review committee that for the year following the budget year it will request the school budget review committee to instruct the state comptroller to increase the district's allowable growth and will fund the allowable growth increase either by using moneys from its unexpended cash balance to reduce the district's property tax levy or by using cash reserve moneys to equal the amount of the deficit that would have been property taxes and any part of the state aid portion of the deficit not received as supplemental aid. The state comptroller shall make the necessary adjustments to the school district's budget to provide the additional allowable growth and shall make the supplemental aid payments.

If the amount appropriated under this paragraph is insufficient to make the supplemental aid payments, the state comptroller shall prorate the payments on the basis of the amount appropriated.

Sec. 25. This Act takes effect upon its publication. However, section 10, subsection 2 of division 1 of this Act takes effect July 1, 1983.

Sec. 27. This Act, being deemed of immediate importance, takes effect from and after its publication in the Telegraph Herald, a newspaper published in Dubuque, Iowa, and in the Quad City Times, a newspaper published in Davenport, Iowa.

DONALD D. AVENSON
Speaker of the House

ROBERT T. ANDERSON
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 184, Seventieth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved *April 11*, 1983

TERRY E. BRANSTAD
Governor