

Finance: Connolly, Chair; Branstad and Norland.

Referred Education 3/28/83 (p. 923) Do Pass per 3437 3/28 (p. 962)

MAR 22 1983

Referred Appropriation 3/29/83 (p. 962)

FINANCE

HOUSE FILE 562

BY COMMITTEE ON EDUCATION

(Formerly Study Bill 275)

Passed House, Date 3-31-83 (p. 104) Passed Senate, Date _____

Vote: Ayes 90 Nays 6 Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to funds available to school districts.

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

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HF 562

1 Section 1. Section 32.2, Code 1983, is amended to read
2 as follows:

3 32.2 ACTIONS FOR PENALTY. ~~Such~~ The action or suit may
4 be brought by and in the name of the state, on the relation
5 of ~~any a~~ a citizen ~~thereof~~ of the state, and ~~such~~ the penalty,
6 when collected, less the reasonable cost and expense of action
7 or suit and recovery, to be certified by the clerk of the
8 district court of the county in which the offense is committed,
9 shall be paid ~~into the county treasury for the benefit of~~
10 ~~the school fund~~ to the treasurer of state for deposit in the
11 general fund of the state, and two or more penalties may be
12 sued for and recovered in the same action or suit.

13 Sec. 2. Section 99.30, Code 1983, is amended to read as
14 follows:

15 99.30 APPLICATION OF TAX. The ~~said~~ tax collected shall
16 be applied ~~in payment of any~~ toward the deficiency in the
17 payment of costs of the action and abatement ~~on behalf of~~
18 ~~the state to the extent of such deficiency~~ which exist after
19 the application ~~thereof~~ of the proceeds of the sale of personal
20 property ~~as hereinafore provided, and the~~. The remainder
21 of ~~said~~ the tax together with the unexpended portion of the
22 proceeds of the sale of personal property shall be ~~distributed~~
23 ~~to the temporary school fund of the county~~ paid to the
24 treasurer of state for deposit in the general fund of the
25 state, except that ten percent of the amount of the whole
26 tax collected and of the whole proceeds of the sale of ~~said~~
27 the personal property, as provided in this chapter, shall
28 be paid by the treasurer to the attorney representing the
29 state in the injunction action, at the time of final judgment.

30 Sec. 3. Section 127.21, Code 1983, is amended to read
31 as follows:

32 127.21 ~~SCHOOL-FUND~~ PROCEEDS. Any balance of ~~said~~ the
33 proceeds shall be paid by the sheriff to the ~~county treasurer~~
34 ~~who shall credit the same to the county school fund~~ treasurer
35 of state for deposit in the general fund of the state.

1 Sec. 4. Section 265.6, Code 1983, is amended to read as
2 follows:

3 265.6 STATE AID APPLICABLE. If the state board of regents
4 has established a laboratory school, it shall receive state
5 aid pursuant to chapters 281 and 442 for each pupil enrolled
6 in the laboratory school in the same amount as the public
7 school district in which the pupil resides would receive aid
8 for that pupil and shall transmit the amount received to the
9 institution of higher education at which the laboratory school
10 has been established. If the board of a school district
11 terminates a contract with the state board of regents for
12 attendance of pupils in a laboratory school, the school
13 district shall inform the state comptroller of the number
14 of these pupils who are enrolled in the district on the second
15 Friday of the following September. The state comptroller
16 shall pay to the school district, from funds appropriated
17 in section 442.26, an amount equal to the amount of state
18 aid paid for each pupil in that school district for that
19 school year in payments made as provided in section 442.26.
20 ~~However, payments shall not be made for pupils for which an~~
21 ~~advance is received by the district under section 442.28.~~

22 Sec. 5. Section 302.4, Code 1983, is amended to read as
23 follows:

24 302.4 DIVISION AND APPRAISEMENT. The board of supervisors
25 may, ~~at such time as it may fix, and~~ as preliminary to a sale,
26 authorize the trustees of any a township, where the sixteenth
27 section or land selected in lieu thereof of the sixteenth
28 section has not been sold, to lay out the same section into
29 ~~such~~ tracts as in their judgment will be for the best interests
30 of the permanent school fund, conforming, as far as the
31 interests of ~~said~~ the fund will permit, to the legal
32 subdivisions of the United States surveys, and appraise each
33 tract at what they believe to be its true value, and certify
34 to ~~said~~ the board the divisions and appraisements made by
35 them. ~~Said~~ The division and appraisement shall be approved

1 or disapproved by ~~said~~ the board at its first meeting after
2 ~~such~~ the report, and in case it disapproves ~~the same~~, it may
3 at once order another division and appraisement. If the board
4 of supervisors approves, the county auditor shall make and
5 keep a record of ~~such~~ the division, appraisement, and approval;
6 but ~~no~~ school lands ~~of any kind~~ shall not be sold for less
7 than the appraised value per acre, except as ~~hereinafter~~
8 ~~provided, nor shall any.~~ A member of the board of supervisors,
9 county auditor, township trustee, or ~~any~~ a person who was
10 engaged in the division and appraisement of ~~said~~ the land,
11 shall not be directly or indirectly interested in the purchase
12 thereof of the land; and any sale made, where ~~such~~ the parties
13 ~~or any of them are so interested~~ have an interest in the land,
14 shall be void.

15 Sec. 6. Section 302.6, Code 1983, is amended to read as
16 follows:

17 302.6 SALE WITHOUT APPRAISEMENT. When the county board
18 of supervisors ~~of any county~~ has once offered for sale any
19 school lands held under section 302.1 in compliance with the
20 requirements of this chapter, and they remain unsold, and
21 it is unable to obtain ~~therefor~~ the appraised value ~~thereof~~
22 of the lands, and in the opinion of ~~said~~ the board, it is
23 for the best interests of the permanent school fund that the
24 ~~same~~ lands be sold for a less price, it may instruct the
25 auditor to transmit to the secretary of state a certified
26 copy of its proceedings in relation to the order of sale
27 ~~thereof of the land~~ and subsequent proceedings in relation
28 ~~thereto~~ to the sale, including the action of the township
29 trustees, and the price per acre at which the land had been
30 appraised, ~~which transcript the.~~ The secretary of state shall
31 submit the transcript of the proceedings to the executive
32 council; and if it approves of a sale at a less sum, it shall
33 certify ~~such~~ the approval to the auditor of the county from
34 which ~~said~~ the transcript came, ~~which.~~ The certificate shall
35 be ~~transcribed~~ recorded in the minute book of the board of

1 supervisors, and ~~thereupon-said~~ the land may again be offered
2 and sold to the highest bidder without again being appraised,
3 after notice given as in case of sales in the first instance,
4 ~~without-being-again-appraised~~.

5 Sec. 7. Section 302.8, Code 1983, is amended to read as
6 follows:

7 302.8 SALE OF LANDS BID IN. When lands have been sold
8 and bid in by the state in behalf of the permanent school
9 fund upon a judgment in favor of ~~such~~ the fund, the land may
10 be sold in ~~like~~ the same manner as other school lands, and
11 when lands have been conveyed to the counties in which they
12 are situated for the use of the permanent school fund, instead
13 of to the state, ~~such~~ the conveyance ~~shall-be~~ is valid and
14 binding, and upon proper certificates of sales patents shall
15 issue in ~~like~~ the same manner as ~~in-cases-where~~ if the
16 conveyances ~~were~~ had been properly made to the state.

17 Sec. 8. Section 302.9, Code 1983, is amended to read as
18 follows:

19 302.9 CASH OR COLLATERAL SECURITY. When, in the judgment
20 of the board of supervisors, any school lands held under
21 section 302.1 are of such a character that a sale upon partial
22 credit would be unsafe or incompatible with the interest of
23 the permanent school fund, and especially in the case of
24 timbered lands, the board of supervisors may ~~in-its-discretion~~
25 ~~exact-the-whole-of~~ require the entire purchase money in
26 advance; or if ~~it~~ the board sells ~~such~~ the land upon a partial
27 credit, ~~as-hereinbefore-prescribed~~, it shall require good
28 collateral security for the payment of the part upon which
29 credit is given.

30 Sec. 9. Section 302.10, Code 1983, is amended to read
31 as follows:

32 302.10 UNIFORM INTEREST DATE. ~~in-all-cases-where~~ if money
33 is due to the permanent school fund, either for loans or
34 deferred payments of the purchase price of land sold, the
35 interest shall be made payable on the first day of January

1 each year, and if the debtor fails to pay the interest within
2 six months ~~thereafter~~ of the date it is due, the entire amount
3 of both principal and interest shall become due, and the
4 county auditor shall ~~make-a~~ report ~~thereof~~ the nonpayment
5 to the county attorney, who shall immediately commence action
6 for the collection of the amount reported ~~to-him~~ as due ~~and~~
7 ~~this~~. This section is hereby-declared-to-be a part of any
8 a contract made by virtue of this chapter, whether expressed
9 therein in the contract or not.

10 Sec. 10. Section 302.11, Code 1983, is amended to read
11 as follows:

12 302.11 SCHOOL FUND ACCOUNTS--AUDIT OF LOSSES. The state
13 comptroller shall keep the permanent school fund accounts
14 in books provided for that purpose, separate and distinct
15 from the revenue books. The auditor of state shall audit
16 ~~all~~ losses to the permanent school or university fund ~~which~~
17 ~~shall-have-been-occasioned~~ caused by the defalcation,
18 mismanagement, or fraud of the agents or officers controlling
19 and managing the ~~same, and-for-this-purpose~~ the fund. The
20 auditor of state shall ~~prescribe-such-regulations~~ adopt rules
21 for those officers as ~~may-be~~ necessary to ascertain ~~such~~ the
22 losses.

23 Sec. 11. Section 302.15, Code 1983, is amended to read
24 as follows:

25 302.15 MANAGEMENT. ~~All-property~~ Property and money
26 ~~hereafter~~ accrued to the permanent school fund shall be managed
27 and controlled by the state treasurer of state, and ~~he-shall~~
28 ~~be the treasurer of state~~ is responsible for the safekeeping,
29 investment, reinvestment and disbursement of the ~~same~~ property
30 and money.

31 Sec. 12. Section 302.16, Code 1983, is amended to read
32 as follows:

33 302.16 ACTIONS. ~~All-actions~~ Actions for and in behalf
34 of ~~said~~ the fund may be brought in the name of the state for
35 the use of the permanent school fund, by the attorney general.

1 Sec. 13. Section 302.17, Code 1983, is amended to read
2 as follows:

3 302.17 LIABILITY OF COUNTY. Each county ~~shall-be~~ is
4 liable for ~~all~~ losses upon loans of the permanent school fund,
5 principal or interest, made in ~~each~~ the county, unless the
6 loss was not occasioned by reason of any a default of its
7 officers or by taking insufficient or imperfect securities,
8 or from a failure to bid at an execution sale the full amount
9 of the judgment and costs.

10 Sec. 14. Section 302.19, Code 1983, is amended to read
11 as follows:

12 302.19 LOANS. The permanent school fund shall be loaned
13 out or invested by the ~~state~~ state treasurer of state as it comes
14 into ~~his~~ the treasurer's hands.

15 Sec. 15. Section 302.28, Code 1983, is amended to read
16 as follows:

17 302.28 STATUTE OF LIMITATION. Lapse of time ~~shall-in~~
18 ~~no-case-be~~ is not a bar to any action to recover any a part
19 of the permanent school fund, ~~nor-shall~~ and it does not prevent
20 the introduction of evidence in ~~such~~ an action, except as
21 provided in sections 614.29 to 614.38.

22 Sec. 16. Section 302.29, Code 1983, is amended to read
23 as follows:

24 302.29 PAYMENTS. ~~All-payments~~ Payments to the permanent
25 school fund upon contracts, or loans of ~~any-ether~~ another
26 nature, shall be made to the treasurer of the county upon
27 a certificate from the auditor showing the amount due.

28 Sec. 17. Section 302.31, Code 1983, is amended to read
29 as follows:

30 302.31 SCHOOL FUND ACCOUNT--SETTLEMENT. The auditor shall
31 also keep ~~in-his-office~~, in books to be provided for that
32 purpose, an account to be known as the permanent school fund
33 account, in which a memorandum of ~~all~~ the notes, mortgages,
34 bonds, money, and assets ~~of-every-kind-and-description~~ which
35 may come into ~~his~~ the auditor's hands and those of the

1 treasurer shall be entered, and separate accounts of principal
2 and interest be kept ~~and the~~. The county treasurer shall
3 also keep a like an account and record of all school funds
4 coming into ~~his~~ the county treasurer's hands. Settlements
5 of ~~such~~ the account shall be made with the board of supervisors
6 at its January and June sessions, ~~which~~ and the settlements
7 shall be recorded with the proceedings of the board.

8 Sec. 18. Section 302.32, Code 1983, is amended to read
9 as follows:

10 302.32 NOTICE OF DEFAULT. When outstanding contracts
11 for the sale of school lands or notes for money of the
12 permanent school fund loaned, or interest ~~thereon~~ on the
13 permanent school fund, are due, the auditor shall by mail
14 at once notify the debtor to make payment ~~thereof~~ within three
15 months.

16 Sec. 19. Section 302.34, Code 1983, is amended to read
17 as follows:

18 302.34 BID AT EXECUTION SALE. Upon a sale of lands under
19 an execution founded upon a permanent school fund claim or
20 right, the auditor shall bid ~~such~~ a sum as required by the
21 interests of the fund ~~require~~, and, if struck off to the
22 state, it shall be thereafter treated ~~in all respects~~ the
23 same as other lands belonging to ~~said~~ the fund.

24 Sec. 20. Section 302.35, Code 1983, is amended to read
25 as follows:

26 302.35 SHERIFF'S DEED TO STATE. When lands have been
27 bid in by the county for the state under foreclosure of
28 permanent school fund mortgages and the time for redemption
29 has expired, a sheriff's deed shall be issued to the state
30 for the use and benefit of the permanent school fund. The
31 county auditor shall file the ~~said~~ deed for record in the
32 office of the county recorder who shall record the ~~same~~ deed
33 without fee and return the ~~same~~ it when recorded to the county
34 auditor who shall then forward the ~~same~~ it to the secretary
35 of state. The secretary of state shall record the ~~said~~ deed

1 ~~in his records~~ and then file ~~the same~~ it with the state
2 comptroller.

3 Sec. 21. Section 302.38, Code 1983, is amended to read
4 as follows:

5 302.38 EXCESS--LOSS BORNE BY COUNTY. Any An excess over
6 the amount of the unpaid portion of the principal, costs of
7 foreclosure, and interest on the principal ~~as above provided~~,
8 shall inure to the county and be credited to the general
9 county fund. If the lands ~~shall be~~ are sold for a less amount
10 than the unpaid portion of the principal, the loss shall be
11 sustained by the county, and the board of supervisors shall
12 at once order the amount of ~~such~~ the loss transferred from
13 the general fund ~~or temporary school fund~~ of the county to
14 the permanent school fund account.

15 Sec. 22. Section 302.39, Code 1983, is amended to read
16 as follows:

17 302.39 REPORT AS TO SALES--INTEREST. County auditors
18 shall report, on or before ~~the first day of~~ January 1 of each
19 year, ~~report~~ to the state comptroller the amount of ~~all~~ the
20 sales and resales made during the year previous year, of the
21 sixteenth section, five-hundred-thousand-acre grant, escheat
22 estates, and lands taken under foreclosure of permanent school
23 fund mortgages, and the state comptroller shall charge the
24 same them to the counties with interest from the date of such
25 sale or resale to January 1, at the rate of three percent
26 per annum.

27 Sec. 23. Section 302.42, Code 1983, is amended to read
28 as follows:

29 302.42 REPORT AS TO RENTS. County By January 1 of each
30 year, county auditors shall, ~~upon the first day of January~~
31 ~~of each year~~, report to the state comptroller the amount of
32 rents collected during the preceding year on unsold school
33 lands and lands taken under foreclosure of permanent school
34 fund mortgages then in the hands of the county treasurer,
35 and the state comptroller shall include the amount so reported

1 in ~~his~~ the semiannual apportionment of interest.

2 Sec. 24. Section 302.44, Code 1983, is amended to read
3 as follows:

4 302.44 PENALTY AGAINST COUNTY AUDITOR. Any A county
5 auditor failing or neglecting to perform ~~any-of-the~~ required
6 ~~duties which-are-required-of-him-by-the-provisions-of~~ under
7 this chapter, ~~shall-be~~ is liable to a penalty of not less
8 than one hundred nor more than five hundred dollars, to be
9 recovered in an action brought in the district court by the
10 board of supervisors, ~~-the.~~ The judgment ~~to~~ shall be entered
11 against the party and ~~his~~ the party's bondsmen, and the
12 proceeds ~~to-go-to-the-school-fund~~ shall be paid to the
13 treasurer of state for deposit in the general fund of the
14 state.

15 Sec. 25. Section 331.502, subsection 50, Code 1983, is
16 amended to read as follows:

17 50. ~~in-the-case-of~~ For payment of a permanent school fund
18 mortgage, acknowledge satisfaction of the mortgage by execution
19 of a written instrument referring to the mortgage as provided
20 in section 655.1.

21 Sec. 26. Section 331.509, subsection 1, paragraph o, Code
22 1983, is amended to read as follows:

23 o. The reports of magistrates and other officers, including
24 forfeited recognizances in their offices, fines, penalties,
25 forfeitures imposed in their respective courts, and forfeited
26 appearance bonds in criminal cases, all of which are payable
27 to the ~~county-treasury-for-the-benefit-of-the-school-fund~~
28 treasurer of state to be deposited in the general fund of
29 the state.

30 Sec. 27. Section 331.552, subsection 11, Code 1983, is
31 amended by striking the subsection.

32 Sec. 28. Section 331.552, subsection 20, Code 1983, is
33 amended to read as follows:

34 20. Maintain a permanent school fund account and records
35 of school funds received as provided in section 302.31.

1 Sec. 29. Section 360.3, Code 1983, is amended to read
2 as follows:

3 360.3 TRANSFER OF FUND. When there are funds in the hands
4 of ~~any a~~ township clerk, raised under ~~the provisions of~~ this
5 chapter which are not desired for the purposes for which they
6 were raised, the funds may be transferred to the ~~school~~ general
7 fund of ~~any a~~ school district or districts pro rata where ~~in~~
8 ~~same was~~ in which the funds were raised, when a petition is
9 presented to the trustees, signed by a majority of the
10 qualified electors of ~~said~~ the township, as shown by the
11 election register or registers of the last preceding primary
12 or general election held in ~~said~~ the township, ~~said~~. The
13 transfer of funds ~~to~~ shall be made by the township clerk upon
14 order of the trustees after the filing of ~~said~~ the petition
15 with ~~said~~ the clerk.

16 Sec. 30. Section 442.3, Code 1983, is amended to read
17 as follows:

18 442.3 STATE FOUNDATION BASE. The state foundation base
19 for the school year beginning July 1, 1972, is seventy percent
20 of the state cost per pupil. ~~For~~ Except as otherwise provided
21 in this section, for each succeeding school year the state
22 foundation base shall be increased by the amount of one percent
23 of the state cost per pupil, up to a maximum of eighty percent
24 of the state cost per pupil. However, for the school years
25 beginning July 1, 1980, July 1, 1981, and July 1, 1982, the
26 state foundation base shall be the same as the state foundation
27 base for the school year beginning July 1, 1979. For the
28 school year beginning July 1, 1984 and succeeding school
29 years, the state foundation base is eighty percent of the
30 state cost per pupil. The district foundation base is the
31 larger of the state foundation base or the amount per pupil
32 which the district will receive from foundation property tax
33 and state school foundation aid.

34 Sec. 31. Section 442.4, subsection 1, unnumbered paragraph
35 5, Code 1983, is amended to read as follows:

1 A school district shall certify its basic enrollment to
2 the department of public instruction by September 25 of each
3 year, and the department shall promptly forward the information
4 to the state comptroller. ~~For purposes of determining whether~~
5 ~~a district is entitled to an advance for increasing enrollment~~
6 ~~a determination of actual enrollment shall be made on the~~
7 ~~second Friday of September in the budget year by counting~~
8 ~~the pupils in the same manner and to the same extent that~~
9 ~~they are counted in determining basic enrollment, but~~
10 ~~substituting the count in the budget year for the count in~~
11 ~~the base year.---in addition,--~~ A school district shall
12 determine its additional enrollment because of special
13 education defined in section 442.38, on December 1 of each
14 year and if the district is entitled to an advance for special
15 education, it shall certify its additional enrollment because
16 of special education to the department of public instruction
17 by December 15 of each year, and the department shall promptly
18 forward the information to the state comptroller.

19 Sec. 32. Section 442.4, subsection 2, Code 1983, is amended
20 by striking the subsection and inserting in lieu thereof the
21 following:

22 2. For the school year beginning July 1, 1984 and each
23 succeeding school year, an adjusted enrollment shall be
24 calculated for each school district. The adjusted enrollment
25 for a budget year is equal to the basic enrollment for the
26 budget year plus adjustments made by the state comptroller
27 under subsection 4.

28 Sec. 33. Section 442.4, subsection 3, Code 1983, is amended
29 by striking the subsection.

30 Sec. 34. Section 442.4, subsection 4, Code 1983, is amended
31 by striking the subsection and inserting in lieu thereof the
32 following:

33 4. For the school year beginning July 1, 1984 and each
34 succeeding school year, if an amount equal to the net district
35 cost per pupil for the budget year for a school district times

1 the adjusted enrollment of the school district for the budget
2 year is less than an amount equal to the net district cost
3 per pupil for the base year for a school district times, for
4 the base year beginning July 1, 1983, the budget enrollment
5 of the school district or, for each base year thereafter,
6 the adjusted enrollment of the school district, the state
7 comptroller shall increase the adjusted enrollment for the
8 school district for the budget year to a number which will
9 provide that one hundred percent amount.

10 For the purpose of this subsection, net district cost per
11 pupil is the district cost per pupil for a year minus the
12 amount included in the district cost per pupil for that year
13 to compensate for the cost of special education support
14 services of the area education agency.

15 Sec. 35. Section 442.7, subsection 5, Code 1983, is amended
16 by striking the subsection and inserting in lieu thereof the
17 following:

18 5. Notwithstanding subsections 1 through 4, for the school
19 year beginning July 1, 1984, the state percent of growth,
20 including the recomputations required under subsection 4,
21 is six percent.

22 Sec. 36. Section 442.7, subsection 7, paragraph a, Code
23 1983, is amended by striking the paragraph.

24 Sec. 37. Section 442.7, subsection 7, Code 1983, is amended
25 by adding the following new paragraph:

26 NEW PARAGRAPH. For the budget school year beginning July
27 1, 1984, by adding to the basic allowable growth per pupil
28 for the budget year an amount not to exceed the amount of
29 moneys received by a school district under section 302.3
30 during the school year beginning July 1, 1982 and ending June
31 30, 1983, as certified by the board of directors to the state
32 comptroller.

33 Sec. 38. Section 442.14, subsections 1 and 2, Code 1983,
34 are amended to read as follows:

35 1. For the budget year beginning July 1, ~~1980~~ 1984, and

1 each succeeding school year, if a school board wishes to spend
2 more than the amount permitted under sections 442.1 to 442.13,
3 ~~and the school board has not attempted by resolution~~ the board
4 may vote to raise an additional enrichment amount for that
5 budget year, ~~the school board may raise an additional~~
6 ~~enrichment amount~~ not to exceed ten percent of the state cost
7 per pupil multiplied by the budget adjusted enrollment in
8 the district, as provided in this section.

9 2. The board shall determine the additional enrichment
10 amount per pupil needed, within the limits of this section,
11 and shall ~~direct the county commissioner of elections to~~
12 ~~submit the question of whether to raise that amount under~~
13 ~~this section and section 442.15, to the qualified electors~~
14 ~~of the school district at a regular school election held~~
15 ~~during September of the base year or at a special election~~
16 ~~held not later than February 15 of the base year. Only one~~
17 ~~election on the question shall be held during a twelve-month~~
18 ~~period. If a majority of those voting favors raising the~~
19 ~~enrichment amount~~ set a date for a public hearing on the
20 issue. The date and location of the public hearing shall
21 be published in a newspaper in general circulation in the
22 district not less than fourteen days before the date set for
23 the hearing. Following the public hearing, the board may
24 include the approved amount in its certified budget.

25 Sec. 39. Section 442.15, unnumbered paragraph 1, Code
26 1983, is amended to read as follow:

27 ~~if a majority of those voting in an election approves~~
28 ~~raising the additional enrichment amount under section 442.14~~
29 ~~and this section, the~~ The board shall certify to the state
30 comptroller that the required procedures have been carried
31 out, and the state comptroller shall establish the amount
32 of additional enrichment property tax to be levied and the
33 amount of school district income surtax to be imposed for
34 each school year for which the additional enrichment amount
35 is authorized. The state comptroller shall determine these

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

8 Sec. 40. Section 442.15, unnumbered paragraph 3, Code
9 1983, is amended to read as follows:

10 An additional enrichment amount ~~authorized~~ approved under
11 section 442.14 or a lesser amount than the amount so authorized
12 may be continued as provided in this section for a period
13 of five school years. If the amount authorized is less than
14 the maximum of ten percent of the state cost per pupil and
15 the board wishes to increase the amount, it shall re-establish
16 its authority to do so in the manner provided in section
17 442.14. If the board wishes to continue any additional
18 enrichment amount beyond the five-year period, it shall re-
19 establish its authority to do so in the manner provided in
20 section 442.14 within the twelve-month period prior to
21 termination of the five-year period.

22 Sec. 41. Section 442.26, unnumbered paragraph 2, Code
23 1983, is amended by striking the unnumbered paragraph and
24 inserting in lieu thereof the following:

25 All state aids paid under this chapter, unless otherwise
26 stated, shall be paid in monthly installments beginning on
27 September 15 of a budget year and ending on June 15 of the
28 budget year and the installments shall be as nearly equal
29 as possible as determined by the state comptroller, taking
30 into consideration the relative budget and cash position of
31 the state resources. However, the state aids paid to school
32 districts under section 442.38 shall be paid in monthly
33 installments beginning on February 15 and ending on June 15
34 of the budget year.

35 Sec. 42. Section 442.31, unnumbered paragraph 1, Code

1 1983, is amended to read as follows:

2 442.31 GIFTED AND TALENTED CHILDREN. For the school year
3 beginning July 1, 1981 and succeeding school years, boards
4 of school districts, individually or jointly with the boards
5 of other school districts, requesting to use additional
6 allowable growth for gifted and talented children programs,
7 may annually submit program plans for gifted and talented
8 children programs and budget costs, including requests for
9 additional allowable growth for funding the programs, to the
10 department of public instruction and to the applicable gifted
11 and talented children advisory council, if an advisory council
12 has been established, as provided in this chapter. A district
13 shall not identify more than three percent of its ~~budget~~
14 adjusted enrollment for the budget year as gifted and talented
15 if the district is requesting to use additional allowable
16 growth to finance the program.

17 Sec. 43. Section 442.39, unnumbered paragraph 1, Code
18 1983, is amended to read as follows:

19 In order to provide additional funds for school districts
20 which send their resident pupils to another school district
21 or to an area school for classes, which jointly employ and
22 share the services of teachers under section 280.15, or which
23 use the services of a teacher employed by another school dis-
24 trict, a supplementary weighting plan for determining enroll-
25 ment is adopted as follows:

26 Sec. 44. Section 442.39, subsection 2, Code 1983, is
27 amended to read as follows:

28 2. Pupils attending classes in another school district
29 or an area school, attending classes taught by a teacher who
30 is employed jointly under section 280.15, or attending classes
31 taught by a teacher who is employed by another school district,
32 are assigned a weighting of one plus one-tenth times the per-
33 cent of the pupil's school day during which the pupil attends
34 classes in another district or area school, attends classes
35 taught by a teacher who is jointly employed under section

1 280.15, or attends classes taught by a teacher who is employed
2 by another school district.

3 Sec. 45. Section 442.39, Code 1983, is amended by adding
4 the following new subsection:

5 NEW SUBSECTION. 3A. A school district receiving additional
6 funds under subsection 2 for its pupils that are enrolled
7 in sequential mathematics courses at the advanced algebra
8 level and above; chemistry, advanced chemistry, physics or
9 advanced physics courses; or foreign language courses shall
10 have an additional weighting of one pupil added to its total.

11 Sec. 46. Section 453.2, Code 1983, is amended by adding
12 the following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. The written resolution or order
14 of the board of directors of a school board shall include
15 information concerning the interest rate paid by the bank
16 for deposits of school moneys and service charges for at least
17 two banks.

18 Sec. 47. NEW SECTION. 453.15 STATE INVESTMENT. In
19 addition to section 453.2, the board of directors of a school
20 board, may by written resolution or order which shall be
21 entered in the minutes of the board send moneys of the school
22 district to the treasurer of state for investment for a period
23 not less than ninety days. The treasurer of state shall
24 maintain a separate account of moneys sent by each school
25 district. The moneys of a school district may be commingled
26 with state funds for purposes of investment. A school district
27 shall not have a right to a specific asset of the state.
28 The treasurer of state shall maintain the necessary records
29 to determine the value of investments of each school district.
30 Income or gain realized from investment of moneys of a school
31 district and investment expense or loss shall be allocated
32 to the moneys of each school district in the same ratio that
33 the funds of the school district bear to the total funds.

34 A school district electing to transfer investment authority
35 may withdraw its assets from state investments at the end

1 of a month. Withdrawal shall be by written notice and the
2 amount payable shall be the balance as of the end of the month
3 next following receipt of the notice.

4 The treasurer of state shall adopt rules under chapter
5 17A for the administration of this section. The cost of
6 administration shall be deducted from the earnings of the
7 school districts.

8 Sec. 48. Section 508.15, Code 1983, is amended to read
9 as follows:

10 508.15 VIOLATION BY FOREIGN COMPANY. Companies organized
11 and chartered by the laws of a foreign state or country,
12 failing to file the evidence of investment and statement
13 within the time fixed, shall forfeit and pay the sum of three
14 hundred dollars, to be collected in an action in the name
15 of the state ~~for-the-use-of-the-school-fund~~ and paid to the
16 treasurer of state for deposit in the general fund of the
17 state, and their right to transact further new business in
18 this state shall immediately cease until the requirements
19 of this chapter have been fully complied with.

20 Sec. 49. Section 511.7, Code 1983, is amended to read
21 as follows:

22 511.7 RECOVERY OF PENALTIES. Actions brought to recover
23 any of the penalties provided for in this chapter shall be
24 instituted in the name of the state by the county attorney
25 of the county, under the direction and authority of the
26 commissioner of insurance, and may be brought in the district
27 court of any county in which the company or association
28 proceeded against is engaged in the transaction of business,
29 or in which the offending person resides, if it is against
30 ~~him~~ the person. The penalties, when recovered, shall be paid
31 ~~into-the-state-treasury-for-the-use-of-the-school-fund~~ to
32 the treasurer of state for deposit in the general fund of
33 the state.

34 Sec. 50. Section 515.93, Code 1983, is amended to read
35 as follows:

1 515.93 VIOLATIONS. Any A violation of the ~~provisions~~
 2 ~~of~~ sections 515.91 and 515.92 shall for the first offense
 3 subject the company, association, or individual guilty thereof
 4 to a penalty of five hundred dollars, to be recovered in the
 5 name of the state, with costs, in an action instituted by
 6 the county attorney, either in the county in which the company,
 7 association, or individual is located or transacts business,
 8 or in the county where the offense is committed, and such
 9 the penalty, when recovered, shall be paid ~~into the school~~
 10 ~~fund of the county in which action is brought~~ to the treasurer
 11 of state for deposit in the general fund of the state. Every
 12 subsequent violation of ~~said~~ the sections ~~shall subject~~
 13 subjects the company, association, or individual to a penalty
 14 of one thousand dollars, to be sued for, recovered, and
 15 disposed of in like manner.

16 Sec. 51. Section 534.12, subsection 4, Code 1983, is
 17 amended to read as follows:

18 4. REDEMPTION. ~~At any time~~ When funds are on hand for
 19 the purpose, the association ~~shall have the right to~~ may
 20 redeem by lot or otherwise, as the board of directors may
 21 ~~determine~~ determines, all or any part of any of its savings
 22 accounts on a dividend date by giving thirty days' notice
 23 by registered mail addressed to the account holders at their
 24 last addresses recorded on the books of the association.
 25 An association shall not redeem ~~any of~~ its share accounts
 26 when the association is in an impaired condition or when it
 27 has applications for withdrawal which have been on file more
 28 than thirty days and have not been reached for payment. The
 29 redemption price of a savings account shall be the full value
 30 of the account redeemed, as determined by the board of
 31 directors, but ~~in no event shall~~ the redemption value shall
 32 not be less than the withdrawal value. If the notice of
 33 redemption has been given, and if on or before the redemption
 34 date the funds necessary for the redemption have been set
 35 aside ~~so as to be and continue to be available~~ for redemptions,

1 dividends upon the accounts called for redemption shall cease
2 to accrue from and after the dividend date specified as the
3 redemption date, and ~~all~~ rights with respect to those accounts
4 ~~shall~~ terminate as of the redemption date, subject only to
5 the right of the account holder of record to receive the
6 redemption value without interest. ~~All-savings~~ Savings
7 accounts which have been validly called for redemption must
8 be tendered for payment within ten years from the date of
9 redemption designated in the redemption notice, or they shall
10 be canceled and ~~forfeited-for-the-use-of-the-school-fund-of~~
11 ~~the-county-in-which-the-association-has-its-principal-place~~
12 ~~of-business~~ paid to the treasurer of state for deposit in
13 the general fund of the state and all claims of the account
14 holders against the association ~~shall-be~~ are barred forever.
15 Redemption shall not be made of any savings accounts which
16 are held by a person who is a director and which are necessary
17 to qualify the person to act as director.

18 Sec. 52. Section 535.5, Code 1983, is amended to read
19 as follows:

20 535.5 PENALTY FOR USURY. If it ~~shall-be~~ is ascertained
21 in ~~any~~ an action brought on ~~any~~ a contract that a rate of
22 interest has been contracted for, directly or indirectly,
23 in money or in property, greater than is authorized by this
24 chapter, the ~~same~~ rate shall work a forfeiture of eight cents
25 on the hundred by the year upon the amount of the principal
26 remaining unpaid upon ~~such~~ the contract at the time judgment
27 is rendered ~~thereon~~, and the court shall enter final judgment
28 in favor of the plaintiff and against the defendant for the
29 principal sum ~~so~~ remaining unpaid without costs, and also
30 against the defendant and in favor of the state, ~~for-the-use~~
31 ~~of-the-school-fund-of-the-county-in-which-the-action-is-brought~~
32 to be paid to the treasurer of state for deposit in the general
33 fund of the state, for the amount of the forfeiture, ~~and-in~~
34 ~~no-case-where.~~ If unlawful interest is contracted for ~~shall~~
35 the plaintiff shall not have judgment for more than the

1 principal sum, whether the unlawful interest be is incorporated
2 with the principal or not.

3 Sec. 53. Section 586.1, subsection 4, Code 1983, is amended
4 to read as follows:

5 4. Acknowledgments of deeds, mortgages, permanent school
6 fund mortgages and contracts taken and certified before 1970
7 by any county auditor, deputy county auditor, or deputy clerk
8 of the district court although such officer was not authorized
9 to take ~~such~~ the acknowledgments at the time they were taken.

10 Sec. 54. Section 595.11, Code 1983, is amended to read
11 as follows:

12 595.11 NONSTATUTORY SOLEMNIZATION--FORFEITURE. Marriages
13 solemnized, with the consent of parties, in any ~~other~~ manner
14 other than as-herein that prescribed in this chapter, are
15 valid; but the parties ~~thereto~~, and all persons aiding or
16 abetting them, shall ~~forfeit-to-the-school~~ pay to the treasurer
17 of state for deposit in the general fund of the state the
18 sum of fifty dollars each; but this shall not apply to the
19 person conducting the marriage ceremony, if within fifteen
20 days thereafter ~~he~~ the person makes the required return to
21 the clerk of the district court.

22 Sec. 55. Section 602.55, Code 1983, is amended to read
23 as follows:

24 602.55 FUNDS, REPORTS.

25 Each month each judicial magistrate and district associate
26 judge shall file with the clerk of the district court of the
27 proper county a sworn, itemized statement of all cases disposed
28 of and all funds received and disbursed per case, and at least
29 monthly shall remit to the clerk all funds received. The
30 clerk shall provide adequate clerical assistance to judicial
31 magistrates and district associate judges to carry out this
32 section. The clerk shall remit ninety percent of all fines
33 and forfeited bail received from a magistrate or district
34 associate judge to the city that was the plaintiff in any
35 action, shall remit to the city ninety percent of all fines

1 and forfeited bail received for improper use of handicapped
2 parking spaces in violation of section 601E.6, subsection
3 2, when the violations occurred within the city, shall remit
4 all fines and forfeited bail received from a magistrate or
5 district associate judge for violation of a county ordinance
6 except an ordinance relating to vehicle speed or weight
7 restrictions, to the county treasurer of the county that was
8 the plaintiff in any action for deposit in the general fund
9 of the county, and shall provide that city or county with
10 a statement showing the total number of the cases, the total
11 of all fines and forfeited bail collected and the total of
12 all cases dismissed. However, if a county ordinance provides
13 a penalty for a violation which is also penalized under state
14 law, all fines and forfeited bail collected for the violation
15 of that ordinance shall be deposited paid to the treasurer
16 of state for deposit in the ~~school~~ general fund of the state.
17 The clerk shall remit the remaining ten percent of city fines
18 and forfeited bail to the county treasurer for deposit in
19 the county general fund. The clerk shall remit to the
20 treasurer of ~~the county~~ state, for ~~the benefit of the school~~
21 deposit in the general fund of the state, all other fines
22 and forfeited bail received from a magistrate. All fees and
23 costs for the filing of a complaint or information or upon
24 forfeiture of bail received from a magistrate shall be remitted
25 monthly by the clerk as follows:

26 1. One-half to the treasurer of state to be credited to
27 the general fund of the state.

28 2. One-third to the county treasurer to be credited to
29 the general fund of the county.

30 3. One-sixth to the treasurer of state to be credited
31 to the judicial retirement fund created in section 605A.4.

32 Sec. 56. Section 633.545, Code 1983, is amended to read
33 as follows:

34 633.545 SALE--PROCEEDS. If within six months from the
35 giving of ~~such~~ notice, ~~no~~ a claimant ~~thereof appears,~~ ~~such~~

1 does not appear, the property may be sold and the proceeds
 2 paid over by the personal representative to the state
 3 comptroller for the benefit of the permanent school fund.

4 Sec. 57. Section 644.15, Code 1983, is amended to read
 5 as follows:

6 644.15 PROCEEDS--FORFEITURE. The net proceeds of ~~all~~
 7 sales made by the sheriff, and ~~all~~ money or bank notes paid
 8 over to the county treasurer, as directed in this chapter,
 9 shall remain in the hands of the county treasurer in trust
 10 for the owner, if ~~any such shall apply~~ the owner applies
 11 within one year from the time the same shall ~~proceeds, moneys,~~
 12 or bank notes would have been paid over, but, However, if
 13 no owner shall appear appears within such that time, the money
 14 proceeds, moneys, or bank notes shall be forfeited, and the
 15 claim of the owner thereto is forever barred, in which event
 16 the money shall remain in the county treasury for the use
 17 of the common schools in said county be paid to the treasurer
 18 of state for deposit in the general fund of the state.

19 Sec. 58. Section 666.3, Code 1983, is amended to read
 20 as follows:

21 666.3 FINES AND FORFEITURES. ~~All fines~~ Fines and
 22 forfeitures, after deducting ~~therefrom~~ court costs, court
 23 expenses collectible through the clerk of the court, and fees
 24 of collection, if any, and not otherwise disposed of, shall
 25 ~~go into the treasury of the county where the same are collected~~
 26 ~~for the benefit of the school fund~~ be paid to the treasurer
 27 of state for deposit in the general fund of the state.

28 Sec. 59. Section 666.6, unnumbered paragraph 1, Code 1983,
 29 is amended to read as follows:

30 The Not later than January 15 of each year, the clerk of
 31 district court shall make an annual report in writing to the
 32 board of supervisors at the first regular meeting of the board
 33 in January treasurer of state of all forfeited recognizances
 34 in the clerk's office; of all fines, penalties, and forfeitures
 35 imposed in the district court, which by law ~~go into the county~~

1 ~~treasury-for-the-benefit-of-the-school-fund~~ are paid to the
2 treasurer of state for deposit in the general fund of the
3 state; in what cause or proceeding, when and for what purpose,
4 against whom and for what amount, rendered; whether the fines,
5 penalties, forfeitures, and recognizances have been paid,
6 remitted, canceled, or otherwise satisfied; if so, when, how,
7 and in what manner, and if not paid, remitted, canceled, or
8 otherwise satisfied, what steps have been taken to enforce
9 the collection of the fines, penalties, forfeitures and
10 recognizances. However, the report shall only contain
11 information not already reported on a monthly basis.

12 Sec. 60. Section 442.28, Code 1983, is repealed.

13 Sec. 61. Sections 127.22, 302.3, and 302.24, Code 1983,
14 are repealed.

15 Sec. 62. For the school year beginning July 1, 1984, the
16 state cost per pupil shall be calculated using a revised state
17 cost per pupil for the school year beginning July 1, 1983
18 in the manner provided in this section. The state comptroller
19 shall determine the revised state cost per pupil for the
20 school year beginning July 1, 1983 by using amounts for the
21 school year beginning July 1, 1983 as follows:

22 1. By adding together the district cost of each district
23 minus the additional district cost allocated to the district
24 under section 442.27 to fund media services and educational
25 services provided through the area education agency and by
26 subtracting from that total amount the special education
27 support services budgets of the fifteen area education agencies
28 and dividing that total by the total adjusted enrollment in
29 the state using the procedure prescribed in section 442.4,
30 subsection 2, and the necessary enrollment figures for
31 calculating adjusted enrollment for the school year beginning
32 July 1, 1984. The resulting amount is the revised state cost
33 per pupil for the regular program.

34 2. By adding together the special education support
35 services budgets for the fifteen area education agencies and

1 dividing the total by the total weighted enrollment in the
2 state using the procedures prescribed in section 442.4 and
3 the necessary enrollment figures for calculating weighted
4 enrollment for the school year beginning July 1, 1984. The
5 resulting amount is the revised state cost per pupil for
6 special education.

7 3. The revised state cost per pupil is the amount obtained
8 under subsection 1 plus the amount obtained under subsection
9 2.

10 Sec. 63. For the school year beginning July 1, 1984, the
11 district cost per pupil of each school district shall be
12 calculated using a revised district cost per pupil for the
13 school year beginning July 1, 1983 in the manner provided
14 in this section. The state comptroller shall determine each
15 revised district cost per pupil for the school year beginning
16 July 1, 1983 by using amounts for the school year beginning
17 July 1, 1983 as follows:

18 1. By subtracting from the district cost of the district
19 the additional district cost allocated to the district under
20 section 442.27 to fund media services and educational services
21 provided through the area education agency and subtracting
22 from that amount the portion of district cost that funds the
23 special education support services for the area education
24 agency and dividing the total by the adjusted enrollment
25 for the district using the procedure prescribed in section
26 442.4, subsection 2, and the necessary enrollment figures
27 for calculating adjusted enrollment for the school year begin-
28 ning July 1, 1984. The resulting amount is the revised
29 district cost per pupil for the regular program.

30 2. By dividing the special education support services
31 budget for the area education agency in which the district
32 is located by the total weighted enrollment of the districts
33 in the area education agency using the procedure prescribed
34 in section 442.4 and the necessary enrollment figures for
35 calculating weighted enrollment for the school year beginning

1 July 1, 1984. The resulting amount is the revised district
2 cost per pupil for special education.

3 3. The revised district cost per pupil is the amount ob-
4 tained under subsection 1 plus the amount obtained under sub-
5 section 2.

6 Sec. 64. In addition to the requirements of section 281.9,
7 the school budget review committee shall establish the weight-
8 ing plan for the school year beginning July 1, 1984 based
9 upon the average costs of providing instruction for children
10 requiring special education in the categories of the weighting
11 plan established in section 281.9 and based upon the state
12 cost per pupil and the district costs per pupil for the school
13 year beginning July 1, 1984 calculated pursuant to sections
14 442.8 and 442.9 and sections 62 and 63 of this Act.

15 Notwithstanding section 281.9, subsection 4, the school budget
16 review committee may increase or decrease the weighting
17 assigned to each category of children requiring special
18 education by more than two-tenths of the weighting assigned
19 to pupils in a regular curriculum.

20 Sec. 65. Sections 46 and 47 of this Act take effect July
21 1, 1983. Sections 30 through 45 of this Act take effect July
22 1, 1983 for the school year beginning July 1, 1984. The
23 remaining sections of this Act take effect July 1, 1984.

24 EXPLANATION

25 This bill makes the following changes in funds available
26 to school districts:

27 1. Sets state percent of growth at six percent for 1984-
28 1985.

29 2. Increases the state foundation base to eighty percent
30 for 1984-1985.

31 3. Provides a permanent one hundred percent budget
32 guarantee.

33 4. Uses actual headcount from the previous year plus
34 pupils added for the budget guarantee for enrollment beginning
35 1984-1985.

1 5. Recalculates state cost per pupil for use in 1984-1985
2 and thereafter using actual 1983-1984 school budgets and
3 enrollments.

4 6. Recalculates each district cost per pupil for use in
5 1984-1985 and thereafter using actual 1983-1984 school budgets
6 and enrollments.

7 7. Eliminates the advance for increasing enrollment
8 districts.

9 8. Provides for adoption of the enrichment levy by board
10 action.

11 9. Provides for monthly payment of state aid from September
12 15 through June 15.

13 10. Eliminates the one hundred ten percent catch-up
14 provisions.

15 11. Eliminates the temporary school fund (semiannual
16 apportionment and confiscatory allotments) and puts the money
17 in the state general fund beginning July 1, 1984. It allows
18 the school districts to use additional allowable growth to
19 make up the loss in miscellaneous income. It uses 1982-1983
20 totals and provides additional allowable growth for 1984-1985.

21 12. Mandates that school boards investigate interest rates
22 and service charges from at least two financial institutions
23 and the interest rates are public records.

24 13. Provides that school districts can send funds to the
25 treasurer of state for investment together with state moneys.

26 14. Grants an additional pupil to the weighted enrollment
27 of school districts that have pupils added to the supplementary
28 weighting plan for certain advanced science, mathematics and
29 foreign language courses.

30 15. Includes under the supplementary weighting plan courses
31 a student receives at an area school.

32 The portions of the bill relating to the investment of
33 school district funds take effect July 1, 1983. The remaining
34 sections take effect July 1, 1983 for procedures necessary
35 to implement the changes in the school year beginning July
36 1, 1984.

HOUSE FILE 562
FISCAL NOTE

REQUESTED BY REPRESENTATIVE GROTH

In compliance with a written request received March 31, 1983, there is hereby submitted a Fiscal Note for House File 562 as amended by H-3437 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.

House File 562, as amended by H-3437, is an Act which; eliminates the advance for increasing enrollment districts, sets the state foundation base at 80 percent for the school year beginning July 1, 1984 and thereafter, changes the method of calculating enrollment for a school district to 35 percent of 1978 headcount and 65 percent of adjusted enrollment, provides a permanent 102 percent budget guarantee, sets the state percent of growth at 6.5 percent, provides additional allowable growth to districts for approved programs for returning dropouts, includes under the supplementary weighting plan courses a student receives at an area school, grants an additional pupil to the weighted enrollment of certain school districts, mandates that school districts investigate interest rates, and provides that school districts can send funds to the treasurer for the state for investment. Only sections 17 and 18 of this Act take effect July 1, 1983 the remaining sections take effect July 1, 1984.

Section 1, 3 and 19 eliminates the advance for increasing enrollment for in a school district regular enrollment, the advance for special education enrollment still remains. Currently if a districts actual enrollment for the budget year is higher than its budget enrollment for the budget year the district is entitled to an advance from the state in the amount of the difference.

FISCAL EFFECT: The elimination of the advance for increasing enrollments is expected to affect 23 school districts and eliminate the payment of \$942,000 in state aid in 1984-1985 under this proposal.

Section 2 sets the state foundation base at 80 percent for the school year beginning July 1, 1984 and thereafter. Under current law the state foundation base would be at 79 percent for the 1984-1985 school year and would increase one percent the succeeding school year up to a maximum of 80 percent.

FISCAL EFFECT: Under this proposal the increase of the state foundation base to 80% rather than 79% in 1984-1985 will increase state aid by \$13,975,000 and reduce property taxes by the same amount, \$13,975,000.

Section 4 changes the method by which budget enrollment is calculated for a school district. Currently, budget enrollment is equal to 25 percent of a school districts' 1978 headcount and 75 percent of a school districts' adjusted enrollment. This would be changed so 35 percent of a school districts' 1978 headcount and 65 percent of a school districts adjusted enrollment is used.

FISCAL EFFECT: The effect of increasing the percentage of 1978 headcount will be to increase the budget enrollment due to a larger headcount in 1978 than present. The

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difference would be 1984-1985*.

	<u>35/65</u>	<u>25/75</u>	Difference (35/65-25/75)
State Aid	743,965,000	731,980,000	11,985,000
Additional Levy	294,158,000	291,062,000	3,096,000
Uniform Levy	370,648,000	370,648,000	0
Total Budget	<u>1,408,771,000</u>	<u>1,393,690,000</u>	<u>15,081,000</u>

* Assumes 5% increase in valuation, 102% budget guarantee, 80% foundation level and no increasing enrollment (special education and regular program).

Section 5 provides for a 102 percent budget guarantee. Currently there is no budget guarantee for the 1984-1985 school year or succeeding school years. If a school districts regular program budget is less than 102 percent of the preceding year it is guaranteed a budget enrollment which will provide 102 percent.

FISCAL EFFECT: Under the current law for the 1984-1985 school year there is no budget guarantee. By providing a 102 percent budget guarantee state aid would be increased by approximately \$2,091,00 and property tax would increase by \$544,000.

Sections 7, 13, 14, 15 and 16 provides that school districts that which to provide programs to accommodate returning dropouts can request approval for additional allowable growth under the state school foundation formula. At least one-fourth of the budget just come from the districts' controlled budget and up to three-fourths can come form additional allowable growth.

FISCAL EFFECT: These sections would have no fiscal effect upon state dollars. No provision is made to increase a districts' controlled budget which must make up at least one forth of program cost. The remaining program cost which comes from additional allowable growth will be property tax dollars. The Department of Public Instruction estimates a property tax increase of \$1.7 million statewide by 1985-1986 to fund the program.

Section 8, 9, and 10 allow boards of school districts to levy the enrichment tax without requiring approval of an election. The board must hold a public hearing on the issue before approving the enrichment tax.

FISCAL EFFECT: This will have no effect upon state funds. The enrichment tax is made up of property tax and an income surtax for a school district. Any change would depend on the enrichment taxes approved by board action which would not have been approved by election.

Section 11 provides for additional weighting for students of school districts which have pupils attending classes at an area school. An additional weighting of one-tenth times the percent of the pupils school day during which the pupil attends classes in an area school.

FISCAL EFFECT: Currently 247 full time equivalent students that attend an area school at least. The state cost would be around \$25,000 and the property tax increase would be around \$25,000. The final cost will depend upon the number of students attending.

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Section 12 grants an additional pupil to the weighted enrollment of school districts that have pupils added under the supplementary weighting plan for certain advanced math, science, and foreign courses.

FISCAL EFFECT: Currently 91 school districts qualify under the supplementary weighting plan. Of these school districts 41 have students in certain advanced math, science, and foreign language. Assuming all 91 school districts qualified, the cost could be approximately \$50,000 in state aid and \$50,000 in property tax. The potential exists for all 439 school districts to qualify.

Section 17 requires the board of directors of a school board investigate interest rates and service charges from at least two financial institutions and the rates and charges quoted are public records.

FISCAL EFFECT: No cost is associated with this section.

Section 18 provides that school districts can send funds to the treasurer of state for investment together with state moneys.

FISCAL EFFECT: The administrative cost to the state treasurer is unknown and will vary with the amount of participation. Any administrative costs will be deducted from the earnings of school districts.

SUMMARY

	<u>State Aid</u>	<u>Property Tax</u>
<u>Section 1, 3, and 19</u> Reduces amount of state aid in 1984-85	(942,000.)	
<u>Section 2</u> Increases state aid and reduces property tax in 1984-1985	13,975,000.	(13,975,000.)
<u>Section 4</u> Increases state aid and property tax in 1984-1985	9,894,000.	2,552,000.
<u>Section 5</u> Increases state aid and property tax in 1984-1985	2,091,000.	544,000.
<u>Section 4, 13, 14, 15, and 16</u> Increases property tax in 1985-1986		1,700,000.
<u>Section 8, 9, and 10</u> Impacts property tax and income surtax only, effect unknown		
<u>Section 11</u> Increases on property tax and state aid are estimated at	25,000.	25,000.
<u>Section 12</u> Increase state aid and property tax in 1984-1985 by an estimated	50,000.	50,000.
<u>Section 17</u> NO cost associated		
<u>Section 18</u> Cost unknown		
<u>TOTAL</u>	25,093,000.	(9,104,000.)

*The 102% budget guarantee has been subtracted out

(0662.X02, 83-462, GPD)

FILED MARCH 31, 1983

BY DENNIS C. PROUTY, FISCAL DIRECTOR

HOUSE FILE 562
as amended by H-3466

FISCAL NOTE

REQUESTED BY REPRESENTATIVE DAGGETT

In compliance with a written request received March 31, 1983, there is hereby submitted a Fiscal Note for House File 562 as amended by H-3466 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.

Amendment H-3466 to House File 562 allows districts to use their basic enrollment for the budget year instead of budget enrollment for budget year. This is to help districts whose September 1979 headcount is less than that in succeeding years.

For the 1984-1985 school year it is estimated that this would increase state aid by \$514,000 and increase property tax by \$193,000.

(662.X05, 83-467, GPD)

FILED MARCH 31, 1983

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 562
as amended by H-3493

FISCAL NOTE

REQUESTED BY REPRESENTATIVE KREWSON

In compliance with a written request received March 31, 1983, there is hereby submitted a Fiscal Note for House File 562 as amended by H-3493 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.

Amendment H-3493 to House File 562 would use actual headcount as budget enrollment and would recalculate the state cost per pupil and the district cost per pupil. The allowable growth would be set at 6 percent.

Currently, the 1984-19895 state cost for regular program pupil is estimated at \$2,369 the recalculated district under this amendment would be \$2,558. The estimated cost of this amendment is:

State Aid	\$ 757,579,000
Additional Levy	276,568,000
Uniform Levv	370,648,000
Total	\$1,404,795,000*

*Assuming a 5 percent increase in valuation, 102 per cent budget guarantee, 80 percent foundation level and no increasing enrollment (special education and regular program).

(622.X06, 83-466, GPD)

FILED MARCH 31, 1983

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 562
as amended by H-3466
FISCAL NOTE

REQUESTED BY REPRESENTATIVE DAGGETT

In compliance with a written request received March 31, 1983, there is hereby submitted a Fiscal Note for House File 562 as amended by H-3466 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.

Amendment H-3466 to House File 562 allows districts to use their basic enrollment for the budget year instead of budget enrollment for budget year. This is to help districts whose September 1979 headcount is less than that in succeeding years.

For the 1984-1985 school year it is estimated that this would increase state aid by \$514,000 and increase property tax by \$193,000.
(662.X05, 83-467, GPD)

FILED MARCH 31, 1983

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 562
as amended by H-3493
FISCAL NOTE

REQUESTED BY REPRESENTATIVE KREWSON

In compliance with a written received March 31, 1983, there is hereby submitted a Fiscal Note for House File 562 as amended by H-3493 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.

Amendment H-3493 to House File 562 would use actual headcount as budget enrollment and would recalculate the state cost per pupil and the district cost per pupil. The allowable growth would be set at 6 percent.

Currently, the 1984-19895 state cost for regular program pupil is estimated at \$2,369 the recalculated district under this amendment would be \$2,558. The estimated cost of this amendment is:

State Aid	\$ 757,579,000
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Total	\$1,404,795,000*

*Assuming a 5 percent increase in valuation, 102 per cent budget guarantee, 80 percent foundation level and no increasing enrollment (special education and regular program).

(622.X06, 83-466, GPD)

FILED MARCH 31, 1983

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 562

H-3493

1 Amend H-3437, filed to House File 562, as follows:
2 1. By striking page 1, line 4 through page 7,
3 line 22, and inserting in lieu thereof the following:
4 "Section 1. Section 442.3, Code 1983, is amended
5 to read as follows:
6 442.3 STATE FOUNDATION BASE. The state foundation
7 base for the school year beginning July 1, 1972, is
8 seventy percent of the state cost per pupil. ~~For~~
9 Except as otherwise provided in this section, for
10 each succeeding school year the state foundation base
11 shall be increased by the amount of one percent of
12 the state cost per pupil, up to a maximum of eighty
13 percent of the state cost per pupil. However, for
14 the school years beginning July 1, 1980, July 1, 1981,
15 and July 1, 1982, the state foundation base shall
16 be the same as the state foundation base for the
17 school year beginning July 1, 1979. For the school
18 year beginning July 1, 1984 and succeeding school
19 years, the state foundation base is eighty percent
20 of the state cost per pupil. The district foundation
21 base is the larger of the state foundation base or
22 the amount per pupil which the district will receive
23 from foundation property tax and state school
24 foundation aid.
25 Sec. 2. Section 442.4, subsection 2, Code 1983,
26 is amended by striking the subsection and inserting
27 in lieu thereof the following:
28 2. For the school year beginning July 1, 1984
29 and each succeeding school year, an adjusted enrollment
30 shall be calculated for each school district. The
31 adjusted enrollment for a budget year is equal to
32 the basic enrollment for the budget year plus
33 adjustments made by the state comptroller under
34 subsection 4.
35 Sec. 3. Section 442.4, subsection 3, Code 1983,
36 is amended by striking the subsection.
37 Sec. 4. Section 442.4, subsection 4, Code 1983,
38 is amended by striking the subsection and inserting
39 in lieu thereof the following:
40 4. For the school year beginning July 1, 1984
41 and each succeeding school year, if an amount equal
42 to the net district cost per pupil for the budget
43 year for a school district times the adjusted
44 enrollment of the school district for the budget year
45 is less than an amount equal to the net district cost
46 per pupil for the base year for a school district
47 times, for the base year beginning July 1, 1983, the
48 budget enrollment of the school district or, for each
49 base year thereafter, the adjusted enrollment of the
50 school district, the state comptroller shall increase

1 the adjusted enrollment for the school district for
2 the budget year to a number which will provide that
3 one hundred percent amount.

4 For the purpose of this subsection, net district
5 cost per pupil is the district cost per pupil for
6 a year minus the amount included in the district cost
7 per pupil for that year to compensate for the cost
8 of special education support services of the area
9 education agency.

10 Sec. 5. Section 442.7, subsection 5, Code 1983,
11 is amended by striking the subsection and inserting
12 in lieu thereof the following:

13 5. Notwithstanding subsections 1 through 4, for
14 the school year beginning July 1, 1984, the state
15 percent of growth, including the recomputations
16 required under subsection 4, is six percent.

17 Sec. 6. Section 442.14, subsection 1, Code 1983,
18 is amended to read as follows:

19 1. For the budget year beginning July 1, ~~1980~~
20 1984, and each succeeding school year, if a school
21 board wishes to spend more than the amount permitted
22 under sections 442.1 to 442.13, and the school board
23 has not attempted by resolution to raise an additional
24 enrichment amount for that budget year, the school
25 board may raise an additional enrichment amount not
26 to exceed ten percent of the state cost per pupil
27 multiplied by the budget adjusted enrollment in the
28 district, as provided in this section.

29 Sec. 7. Section 442.15, unnumbered paragraph 1,
30 Code 1983, is amended to read as follow:

31 If a majority of those voting in an election
32 approves raising the additional enrichment amount
33 under section 442.14 and this section, the board shall
34 certify to the state comptroller that the required
35 procedures have been carried out, and the state
36 comptroller shall establish the amount of additional
37 enrichment property tax to be levied and the amount
38 of school district income surtax to be imposed for
39 each school year for which the additional enrichment
40 amount is authorized. The state comptroller shall
41 determine these amounts based upon the most recent
42 figures available for the district's valuation of
43 taxable property, individual state income tax paid,
44 and budget adjusted enrollment in the district, and
45 shall certify to the district's county auditor the
46 amount of enrichment property tax, and to the director
47 of revenue the amount of school district income surtax
48 to be imposed.

49 Sec. 8. Section 442.31, unnumbered paragraph 1,
50 Code 1983, is amended to read as follows:

1 442.31 GIFTED AND TALENTED CHILDREN. For the
2 school year beginning July 1, 1981 and succeeding
3 school years, boards of school districts, individually
4 or jointly with the boards of other school districts,
5 requesting to use additional allowable growth for
6 gifted and talented children programs, may annually
7 submit program plans for gifted and talented children
8 programs and budget costs, including requests for
9 additional allowable growth for funding the programs,
10 to the department of public instruction and to the
11 applicable gifted and talented children advisory
12 council, if an advisory council has been established,
13 as provided in this chapter. A district shall not
14 identify more than three percent of its budget adjusted
15 enrollment for the budget year as gifted and talented
16 if the district is requesting to use additional
17 allowable growth to finance the program.

18 Sec. 9. For the school year beginning July 1,
19 1984, the state cost per pupil shall be calculated
20 using a revised state cost per pupil for the school
21 year beginning July 1, 1983 in the manner provided
22 in this section. The state comptroller shall determine
23 the revised state cost per pupil for the school year
24 beginning July 1, 1983 by using amounts for the school
25 year beginning July 1, 1983 as follows:

26 1. By adding together the district cost of each
27 district minus the additional district cost allocated
28 to the district under section 442.27 to fund media
29 services and educational services provided through
30 the area education agency and by subtracting from
31 that total amount the special education support
32 services budgets of the fifteen area education agencies
33 and dividing that total by the total adjusted
34 enrollment in the state using the procedure prescribed
35 in section 442.4, subsection 2, and the necessary
36 enrollment figures for calculating adjusted enrollment
37 for the school year beginning July 1, 1984. The
38 resulting amount is the revised state cost per pupil
39 for the regular program.

40 2. By adding together the special education support
41 services budgets for the fifteen area education
42 agencies and dividing the total by the total weighted
43 enrollment in the state using the procedures prescribed
44 in section 442.4 and the necessary enrollment figures
45 for calculating weighted enrollment for the school
46 year beginning July 1, 1984. The resulting amount
47 is the revised state cost per pupil for special
48 education.

49 3. The revised state cost per pupil is the amount
50 obtained under subsection 1 plus the amount obtained

1 under subsection 2.
 2 Sec. 10. For the school year beginning July 1,
 3 1984, the district cost per pupil of each school
 4 district shall be calculated using a revised district
 5 cost per pupil for the school year beginning July
 6 1, 1983 in the manner provided in this section. The
 7 state comptroller shall determine each revised district
 8 cost per pupil for the school year beginning July
 9 1, 1983 by using amounts for the school year beginning
 10 July 1, 1983 as follows:

11 1. By subtracting from the district cost of the
 12 district the additional district cost allocated to
 13 the district under section 442.27 to fund media
 14 services and educational services provided through
 15 the area education agency and subtracting from that
 16 amount the portion of district cost that funds the
 17 special education support services for the area
 18 education agency and dividing the total by the adjusted
 19 enrollment for the district using the procedure
 20 prescribed in section 442.4, subsection 2, and the
 21 necessary enrollment figures for calculating adjusted
 22 enrollment for the school year beginning July 1, 1984.
 23 The resulting amount is the revised district cost
 24 per pupil for the regular program.

25 2. By dividing the special education support
 26 services budget for the area education agency in which
 27 the district is located by the total weighted
 28 enrollment of the districts in the area education
 29 agency using the procedure prescribed in section 442.4
 30 and the necessary enrollment figures for calculating
 31 weighted enrollment for the school year beginning
 32 July 1, 1984. The resulting amount is the revised
 33 district cost per pupil for special education.

34 3. The revised district cost per pupil is the
 35 amount obtained under subsection 1 plus the amount
 36 obtained under subsection 2.

37 Sec. 11. In addition to the requirements of section
 38 281.9, the school budget review committee shall
 39 establish the weighting plan for the school year
 40 beginning July 1, 1984 based upon the average costs
 41 of providing instruction for children requiring special
 42 education in the categories of the weighting plan
 43 established in section 281.9 and based upon the state
 44 cost per pupil and the district costs per pupil for
 45 the school year beginning July 1, 1984 calculated
 46 pursuant to sections 442.8 and 442.9 and sections
 47 9 and 10 of this Act. Notwithstanding section 281.9,
 48 subsection 4, the school budget review committee may
 49 increase or decrease the weighting assigned to each
 50 category of children requiring special education by

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Page Five

1 more than two-tenths of the weighting assigned to
 2 pupils in a regular curriculum.

3 Sec. 12. This Act takes effect July 1, 1983 for
 4 the school year".

BY KREWSON of Polk
 HANSON of Delaware

H-3492

- 1 Amend amendment H-3437, filed to House File 562,
 2 as follows:
 3 1. Page 2, line 24, by striking the word "Thirty-
 4 five" and inserting in lieu thereof the word "Thirty".
 5 2. Page 2, line 26, by striking the word "Sixty-
 6 five" and inserting in lieu thereof the word "Seventy".

H-3492 FILED MARCH 30, 1983 BY GROTH of Buena Vista
Adopted 3/31/83 (p. 1024)

HOUSE FILE 562

H-3482

- 1 Amend H-3437, filed to House File 562, as follows:
 2 1. Page 4, by inserting after line 6, the
 3 following:
 4 "Notwithstanding section 20.22, subsection 9,
 5 paragraph d, an arbitrator acting pursuant to section
 6 20.22 in making the final determination of the most
 7 reasonable offer for a collective bargaining agreement
 8 shall not consider a board's ability to raise an
 9 additional enrichment amount for a budget year, if
 10 the board has not voted to raise the additional
 11 enrichment amount for that budget year."

H-3482 FILED MARCH 30, 1983 BY HANSON of Delaware
Lost of Order 3/31 (p. 1028)

HOUSE FILE 562

H-3481

- 1 Amend H-3437, filed to House File 562, as follows:
 2 1. By striking page 3, lines 8 through 22.
 3 2. By striking page 5, line 16 through page 6,
 4 line 32.
 5 3. By renumbering as necessary.

H-3481 FILED MARCH 30, 1983 BY SCHNEKLOTH of Scott
Lost 3/31 (p. 1028)

HOUSE FILE 562

H-3480

- 1 Amend H-3437, filed to House File 562, as follows:
 2 1. By striking page 3, line 23, through page 4,
 3 line 42.
 4 2. By renumbering sections as necessary.

BY MAULSBY of Calhoun
 H-3480 FILED MARCH 30, 1983 VAN GERPEN of Black Hawk
Adopted 3/31 (p. 1029)

HOUSE FILE 562

H-3479

- 1 Amend H-3437, filed to House File 562, as follows:
 2 1. Page 6, by striking lines 33 through 39.
 3 2. By striking page 6, line 40, through page 7,
 4 line 18.

BY BENNETT of Ida
 H-3479 FILED MARCH 30, 1983 VAN GERPEN of Black Hawk
Lost 3/31/83 (p. 1031-32)

H-3476

1 Amend H-3437, filed to House File 562, as follows:

2 1. By striking page 1, line 4, through page 7,
3 line 22 and inserting in lieu thereof the following:

4 "Section 1. Section 442.3, Code 1983, is amended
5 to read as follows:

6 442.3 STATE FOUNDATION BASE. The state foundation
7 base for the school year beginning July 1, 1972, is
8 seventy percent of the state cost per pupil. For
9 Except as otherwise provided in this section, for
10 each succeeding school year the state foundation base
11 shall be increased by the amount of one percent of
12 the state cost per pupil, up to a maximum of eighty
13 percent of the state cost per pupil. However, for
14 the school years beginning July 1, 1980, July 1, 1981,
15 and July 1, 1982, the state foundation base shall
16 be the same as the state foundation base for the
17 school year beginning July 1, 1979. For the school
18 year beginning July 1, 1984 and succeeding school
19 years, the state foundation base is eighty percent
20 of the state cost per pupil. The district foundation
21 base is the larger of the state foundation base or
22 the amount per pupil which the district will receive
23 from foundation property tax and state school
24 foundation aid.

25 Sec. 2. Section 442.4, subsection 4, Code 1983,
26 is amended by striking the subsection and inserting
27 in lieu thereof the following:

28 4. For the school year beginning July 1, 1984
29 and each succeeding school year, if an amount equal
30 to the district cost per pupil for the budget year
31 minus the amount included in the district cost per
32 pupil for the budget year to compensate for the cost
33 of special education support services for a school
34 district times the budget enrollment of the school
35 district for the budget year is less than one hundred
36 percent times an amount equal to the district cost
37 per pupil for the base year minus the amount included
38 in the district cost per pupil for the base year to
39 compensate for the cost of special education support
40 services for the base year for a school district times
41 the budget enrollment of the school district for the
42 base year, the state comptroller shall increase the
43 budget enrollment for the school district for the
44 budget year to a number which will provide that one
45 hundred percent amount.

46 Sec. 3. This Act takes effect July 1, 1983 for
47 the school year".

BY LAGESCHULTE of Bremer
DAGGETT of Taylor

H-3476 FILED MARCH 30, 1983

Lost 2/31/83 (p. 1035)

H-3459

- 1 Amend H-3437, filed to House File 562, as follows:
- 2 1. Page 2, line 32, by striking the figure "1983"
- 3 and inserting in lieu thereof the figure "1984".

H-3459 FILED MARCH 30, 1983 BY GROTH of Buena Vista

Adopted 3/31/83 (p. 1025)

HOUSE FILE 562

H-3466

- 1 Amend amendment H-3437, filed to House File 562,
- 2 as follows:
- 3 1. Page 2, by inserting after line 28 the following
- 4 section:
- 5 "Sec. _____. Section 442.4, Code 1983, is amended
- 6 by adding the following new subsection after subsection
- 7 3.
- 8 NEW SUBSECTION. 3A. For the school year beginning
- 9 July 1, 1984 and each subsequent school year, if a
- 10 school district's basic enrollment for the budget
- 11 year is larger than its budget enrollment for the
- 12 budget year, the district shall use its basic
- 13 enrollment for the budget year in lieu of its budget
- 14 enrollment for the budget year for computations
- 15 required in this chapter."
- 16 2. By numbering and renumbering sections as
- 17 necessary.

BY DAGGETT of Taylor

H-3466 FILED MARCH 30, 1983

GROTH of Buena Vista

Last 3/31 (p. 1025)

HOUSE FILE 562

H-3475

- 1 Amend H-3437, filed to House File 562, as follows:
- 2 1. By striking page 4, line 43, through page 5,
- 3 line 6.
- 4 2. By renumbering sections as necessary.

H-3475 FILED MARCH 30, 1983 BY HUMMEL of Benton

Last 3/31 (p. 1029)

HOUSE FILE 562

H-3477

- 1 Amend amendment H-3437, filed to House File 562,
- 2 as follows:
- 3 1. Page 1, by striking lines 4 through 27.
- 4 2. By striking page 1, line 49 through page 2,
- 5 line 21.
- 6 3. Page 7, by striking line 19.

H-3477 FILED MARCH 30, 1983 BY CARPENTER of Polk

Last 3/31 (p. 1032)

HOUSE FILE 562

H-3478

- 1 Amend amendment H-3437, to House File 562, as
- 2 follows:
- 3 1. Page 2, line 40, by striking the word "two"
- 4 and inserting in lieu thereof the word "three".
- 5 2. Page 2, line 48, by striking the word "two"
- 6 and inserting in lieu thereof the word "three".

H-3478 FILED MARCH 30, 1983 BY HALVORSON of Clayton

Last 3/31 (p. 1033)

H-3467

1 Amend amendment H-3437, filed to House File 562,
2 as follows:
3 1. Page 1, by inserting after line 27 the following
4 sections:

5 "Sec. ____ . Section 279.33, Code 1983, is amended
6 to read as follows:

7 279.33 ANNUAL SETTLEMENTS. At a regular or special
8 meeting held ~~in July prior to or on July~~ not later
9 than August 15, the board of each school corporation
10 shall meet, examine the books of and settle with the
11 secretary and treasurer for the year ending on the
12 ~~thirtieth day of preceding June preceding 30~~, and
13 transact ~~such~~ other business as ~~may properly come~~
14 ~~before it~~ necessary. The treasurer at the time of
15 ~~such~~ settlement shall furnish the board with a sworn
16 statement from each depository showing the balance
17 then on deposit in ~~such~~ the depository. ~~Should~~ If
18 the secretary or treasurer fail to make proper reports
19 for ~~such~~ the settlement, the board shall take action
20 to ~~secure the same~~ obtain the balance information.

21 Sec. ____ . Section 279.34, Code 1983, is amended
22 to read as follows:

23 279.34 FINANCIAL STATEMENT--PUBLICATION. In each
24 school district, the board shall, during the second
25 week of ~~July~~ August of each year, publish by one
26 insertion in at least one newspaper, if there is a
27 newspaper published in ~~said~~ the district, a summarized
28 statement verified by affidavit of the secretary of
29 the board showing the receipts and disbursements of
30 all funds for the preceding school year. In all ~~such~~
31 districts of more than one hundred twenty-five thousand
32 population, the statement of disbursements is to show
33 the names of the persons, firms, or corporations,
34 and the total amount paid to each during the school
35 year.

36 Sec. ____ . Section 279.35, Code 1983, is amended
37 to read as follows:

38 279.35 OTHER DISTRICTS--FILING STATEMENT. In
39 every school district ~~wherein~~ in which no newspaper
40 is published, the president and secretary of the board
41 of directors ~~thereof~~ shall file the ~~above~~ statement
42 required in section 279.34 with the area education
43 agency administrator during the second week of ~~July~~
44 August of each year and shall post copies ~~thereof~~
45 of the statement in three conspicuous places in the
46 district."

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

H-3437

1 Amend House File 562 as follows:

2 1. By striking everything after the enacting
3 clause and inserting in lieu thereof the following:
4 "Section 1. Section 265.6, Code 1983, is amended
5 to read as follows:

6 265.6 STATE AID APPLICABLE. If the state board
7 of regents has established a laboratory school, it
8 shall receive state aid pursuant to chapters 281 and
9 442 for each pupil enrolled in the laboratory school
10 in the same amount as the public school district in
11 which the pupil resides would receive aid for that
12 pupil and shall transmit the amount received to the
13 institution of higher education at which the laboratory
14 school has been established. If the board of a school
15 district terminates a contract with the state board
16 of regents for attendance of pupils in a laboratory
17 school, the school district shall inform the state
18 comptroller of the number of these pupils who are
19 enrolled in the district on the second Friday of the
20 following September. The state comptroller shall
21 pay to the school district, from funds appropriated
22 in section 442.26, an amount equal to the amount of
23 state aid paid for each pupil in that school district
24 for that school year in payments made as provided
25 in section 442.26. ~~However, payments shall not be
26 made for pupils for which an advance is received by
27 the district under section 442.28.~~

28 Sec. 2. Section 442.3, Code 1983, is amended to
29 read as follows:

30 442.3 STATE FOUNDATION BASE. The state foundation
31 base for the school year beginning July 1, 1972, is
32 seventy percent of the state cost per pupil. ~~For~~
33 Except as otherwise provided in this section, for
34 each succeeding school year the state foundation base
35 shall be increased by the amount of one percent of
36 the state cost per pupil, up to a maximum of eighty
37 percent of the state cost per pupil. However, for
38 the school years beginning July 1, 1980, July 1, 1981,
39 and July 1, 1982, the state foundation base shall
40 be the same as the state foundation base for the
41 school year beginning July 1, 1979. For the school
42 year beginning July 1, 1984 and succeeding school
43 years, the state foundation base is eighty percent
44 of the state cost per pupil. The district foundation
45 base is the larger of the state foundation base or
46 the amount per pupil which the district will receive
47 from foundation property tax and state school
48 foundation aid.

49 Sec. 3. Section 442.4, subsection 1, unnumbered
50 paragraph 5, Code 1983, is amended to read as follows:

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Page Two

1 A school district shall certify its basic enrollment
2 to the department of public instruction by September
3 25 of each year, and the department shall promptly
4 forward the information to the state comptroller.
5 ~~For purposes of determining whether a district is~~
6 ~~entitled to an advance for increasing enrollment a~~
7 ~~determination of actual enrollment shall be made on~~
8 ~~the second Friday of September in the budget year~~
9 ~~by counting the pupils in the same manner and to the~~
10 ~~same extent that they are counted in determining basic~~
11 ~~enrollment, but substituting the count in the budget~~
12 ~~year for the count in the base year. -- In addition,~~
13 a school district shall determine its additional
14 enrollment because of special education defined in
15 section 442.38, on December 1 of each year and if
16 the district is entitled to an advance for special
17 education, it shall certify its additional enrollment
18 because of special education to the department of
19 public instruction by December 15 of each year, and
20 the department shall promptly forward the information
21 to the state comptroller.

22 Sec. 4. Section 442.4, subsection 3, paragraphs
23 a and b, Code 1983, are amended to read as follows:

- 24 a. ~~Twenty-five~~ Thirty-five percent of the basic
25 enrollment for the school year beginning July 1, 1979.
26 b. ~~Seventy-five~~ Sixty-five percent of the adjusted
27 enrollment computed under subsection 2, paragraph
28 "a," of this section.

29 Sec. 5. Section 442.4, subsection 4, Code 1983,
30 is amended by striking the subsection and inserting
31 in lieu thereof the following:

32 4. For the school year beginning July 1, 1983
33 and each succeeding school year, if an amount equal
34 to the district cost per pupil for the budget year
35 minus the amount included in the district cost per
36 pupil for the budget year to compensate for the cost
37 of special education support services for a school
38 district times the budget enrollment of the school
39 district for the budget year is less than one hundred
40 two percent times an amount equal to the district
41 cost per pupil for the base year minus the amount
42 included in the district cost per pupil for the base
43 year to compensate for the cost of special education
44 support services for the base year times the budget
45 enrollment of the school district for the base year,
46 the comptroller shall increase the budget enrollment
47 for the school district for the budget year to a
48 number which will provide that one hundred two percent
49 amount.

50 Sec. 6. Section 442.7, subsection 5, Code 1983,

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Page Three

1 is amended by striking the subsection and inserting
2 in lieu thereof the following:

3 5. Notwithstanding subsections 1 through 4, for
4 the school year beginning July 1, 1984, the state
5 percent of growth, including the recomputations
6 required under subsection 4, is six and one-half
7 percent.

8 Sec. 7. Section 442.9, subsection 1, paragraph
9 a, Code 1983, is amended to read as follows:

10 a. As used in this chapter, "district cost per
11 pupil" for the school year beginning July 1, 1975,
12 and subsequent school years means district cost per
13 pupil in weighted enrollment. The district cost per
14 pupil for the budget year is equal to the district
15 cost per pupil for the base year plus the allowable
16 growth. However, district cost per pupil does not
17 include additional allowable growth added for programs
18 for gifted and talented children and for programs
19 for returning dropouts under this chapter and does
20 not include additional allowable growth established
21 by the school budget review committee for a single
22 school year only.

23 Sec. 8. Section 442.14, subsections 1 and 2, Code
24 1983, are amended to read as follows:

25 1. For the budget year beginning July 1, ~~1980~~
26 1984, and each succeeding school year, if a school
27 board wishes to spend more than the amount permitted
28 under sections 442.1 to 442.13, ~~and-the-school-board~~
29 ~~has-not-attempted-by-resolution~~ the board may vote
30 to raise an additional enrichment amount for that
31 budget year, ~~the-school-board-may-raise-an-additional~~
32 ~~enrichment-amount~~ not to exceed ten percent of the
33 state cost per pupil multiplied by the budget
34 enrollment in the district, as provided in this
35 section.

36 2. The board shall determine the additional
37 enrichment amount per pupil needed, within the limits
38 of this section, and shall ~~direct-the-county~~
39 ~~commissioner-of-elections-to-submit-the-question-of~~
40 ~~whether-to-raise-that-amount-under-this-section-and~~
41 ~~section-442-15--to-the-qualified-electors-of-the~~
42 ~~school-district-at-a-regular-school-election-held~~
43 ~~during-September-of-the-base-year-or-at-a-special~~
44 ~~election-held-not-later-than-February-15-of-the-base~~
45 ~~year--Only-one-election-on-the-question-shall-be~~
46 ~~held-during-a-twelve-month-period--If-a-majority~~
47 ~~of-these-voting-favors-raising-the-enrichment-amount~~
48 set a date for a public hearing on the issue. The
49 date and location of the public hearing shall be
50 published in a newspaper published in the district

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Page Four

1 or in a county in which the district is located if
2 there is no newspaper published in the district not
3 less than fourteen days before the date set for the
4 hearing. Following the public hearing, the board
5 may include the approved amount in its certified
6 budget.

7 Sec. 9. Section 442.15, unnumbered paragraph 1,
8 Code 1983, is amended to read as follow:

9 ~~If a majority of those voting in an election~~
10 ~~approves raising the additional enrichment amount~~
11 ~~under section 442.14 and this section, the~~ The board
12 shall certify to the state comptroller that the
13 required procedures have been carried out, and the
14 state comptroller shall establish the amount of
15 additional enrichment property tax to be levied and
16 the amount of school district income surtax to be
17 imposed for each school year for which the additional
18 enrichment amount is authorized. The state comptroller
19 shall determine these amounts based upon the most
20 recent figures available for the district's valuation
21 of taxable property, individual state income tax paid,
22 and budget enrollment in the district, and shall
23 certify to the district's county auditor the amount
24 of enrichment property tax, and to the director of
25 revenue the amount of school district income surtax
26 to be imposed.

27 Sec. 10. Section 442.15, unnumbered paragraph
28 3, Code 1983, is amended to read as follows:

29 An additional enrichment amount ~~authorized~~ approved
30 under section 442.14 or a lesser amount than the
31 amount so authorized may be continued as provided
32 in this section for a period of five school years.
33 If the amount authorized is less than the maximum
34 of ten percent of the state cost per pupil and the
35 board wishes to increase the amount, it shall re-
36 establish its authority to do so in the manner provided
37 in section 442.14. If the board wishes to continue
38 any additional enrichment amount beyond the five-year
39 period, it shall re-establish its authority to do
40 so in the manner provided in section 442.14 within
41 the twelve-month period prior to termination of the
42 five-year period.

43 Sec. 11. Section 442.39, subsection 2, Code 1983,
44 is amended to read as follows:

45 2. Pupils attending classes in another school
46 district or an area school, attending classes taught
47 by a teacher who is employed jointly under section
48 280.15, or attending classes taught by a teacher who
49 is employed by another school district, are assigned
50 a weighting of one plus one-tenth times the percent

1 of the pupil's school day during which the pupil
2 attends classes in another district or area school,
3 attends classes taught by a teacher who is jointly
4 employed under section 280.15, or attends classes
5 taught by a teacher who is employed by another school
6 district.

7 Sec. 12. Section 442.39, Code 1983, is amended
8 by adding the following new subsection:

9 NEW SUBSECTION. 3A. A school district receiving
10 additional funds under subsection 2 for its pupils
11 that are enrolled in sequential mathematics courses
12 at the advanced algebra level and above; chemistry,
13 advanced chemistry, physics or advanced physics
14 courses; or foreign language courses shall have an
15 additional weighting of one pupil added to its total.

3-31 16 Sec. 13. NEW SECTION. 442.45 PROGRAMS FOR
17 RETURNING DROPOUTS. For the school year beginning
18 July 1, 1984 and succeeding school years, boards of
19 school districts, individually or jointly with boards
20 of other school districts, requesting to use additional
21 allowable growth for programs for returning dropouts,
22 may annually submit comprehensive program plans for
23 the programs and budget costs, including requests
24 for additional allowable growth for funding the
25 programs, to the department of public instruction
26 as provided in this chapter. In addition to the
27 requirements for program plans listed in section
28 442.32, the program plans shall include:

29 1. A provision for dropout prevention and
30 integration of dropouts into the educational program
31 of the district.

32 2. A provision for identifying dropouts.

33 3. A program for returning dropouts.

34 Program plans for dropouts shall identify the parts
35 of the plan that will be implemented first upon
36 approval of the application. If a district is
37 requesting to use additional allowable growth to
38 finance the program, it shall not identify more than
39 five percent of its budget enrollment for the budget
40 year as returning dropouts.

3-31 41 Sec. 14. NEW SECTION. 442.46 DEFINED. "Returning
42 dropouts" are resident pupils who have been enrolled
43 in a public or nonpublic school in any of grades seven
44 through twelve who withdrew from school for a reason
45 other than transfer to another school or school
46 district and who subsequently enrolled in public
47 school in the district.

48 Sec. 15. NEW SECTION. 442.47 PLANS FOR RETURNING
49 DROPOUTS. The board of directors of a school district
50 requesting to use additional allowable growth for

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Page Six

1 programs for returning dropouts shall submit
2 applications for approval for the programs to the
3 department not later than November 1 preceding the
4 fiscal year during which the program will be offered.
5 The department shall review the program plans and
6 shall prior to January 15 either grant approval for
7 the program or return the request for approval with
8 comments of the department included. An unapproved
9 request for a program may be resubmitted with
10 modifications to the department not later than February
11 1. Not later than February 15, the department shall
12 notify the state comptroller and the school budget
13 review committee of the names of the school districts
14 for which the programs using additional allowable
15 growth for funding have been approved and the approved
16 budget of each program listed separately for each
17 school district having an approved program.

18 Sec. 16. NEW SECTION. 442.48 FUNDING FOR PROGRAMS
19 FOR RETURNING DROPOUTS. The budget of an approved
20 program for returning dropouts for a school district,
21 after subtracting funds received from other sources
22 for that purpose, shall be funded annually on a basis
23 of one-fourth or more from the district cost of the
24 school district and up to three-fourths by an increase
25 in allowable growth as defined in section 442.7.
26 Annually, the state comptroller shall establish a
27 modified allowable growth for each such district equal
28 to the difference between the approved budget for
29 the program for returning dropouts for that district
30 and the sum of the amount funded from the district
31 cost of the school district plus funds received from
32 other sources.

33 Sec. 17. Section 453.2, Code 1983, is amended
34 by adding the following new unnumbered paragraph:
35 NEW UNNUMBERED PARAGRAPH. The written resolution
36 or order of the board of directors of a school board
37 shall include information concerning the interest
38 rate paid by the bank for deposits of school moneys
39 and service charges for at least two banks.

40 Sec. 18. NEW SECTION. 453.15 STATE INVESTMENT.
41 In addition to section 453.2, the board of directors
42 of a school board, may by written resolution or order
43 which shall be entered in the minutes of the board
44 send moneys of the school district to the treasurer
45 of state for investment for a period not less than
46 ninety days. The treasurer of state shall maintain
47 a separate account of moneys sent by each school
48 district. The moneys of a school district may be
49 commingled with state funds for purposes of investment.
50 A school district shall not have a right to a specific

MARCH 30, 1983

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Page Seven

1 asset of the state. The treasurer of state shall
2 maintain the necessary records to determine the value
3 of investments of each school district. Income or
4 gain realized from investment of moneys of a school
5 district and investment expense or loss shall be
6 allocated to the moneys of each school district in
7 the same ratio that the funds of the school district
8 bear to the total funds.

9 A school district electing to transfer investment
10 authority may withdraw its assets from state
11 investments at the end of a month. Withdrawal shall
12 be by written notice and the amount payable shall
13 be the balance as of the end of the month next
14 following receipt of the notice.

15 The treasurer of state shall adopt rules under
16 chapter 17A for the administration of this section.
17 The cost of administration shall be deducted from
18 the earnings of the school districts.

19 Sec. 19. Section 442.28, Code 1983, is repealed.

20 Sec. 20. Sections 17 and 18 of this Act take
21 effect July 1, 1983. The remaining sections of this
22 Act take effect July 1, 1983 for the school year
23 beginning July 1, 1984. This Act shall not affect
24 the computation and payment of state aid and levying
25 of property taxes under the state school foundation
26 program for the school year beginning July 1, 1983."

H-3437 FILED MARCH 29, 1983 BY COMMITTEE ON EDUCATION

*Adopted as amended by 3-159, 3-167,
3-180 + 3-192 3/31/83 (p. 1040)*

HOUSE FILE 562

H-3494

- 1 Amend H-3437, filed to House File 562, as follows:
- 2 1. Page 2, line 40, by striking the word "two".
- 3 2. Page 2, line 48, by striking the word "two".

H-3494 FILED MARCH 31, 1983 BY KREWSON of Polk
LOST (p. 1026)

Sen. Education 4/5/83

HOUSE FILE 562

*mead for 3461 D
to Pass 4/6 (p. 1142)*

Education
Brown Chair
Anderson
Grubas

Finance 4/11/83 Do Pass 4/13 (p. 1254)

HOUSE FILE 562

BY COMMITTEE ON EDUCATION

(As Amended and Passed by the House)

Be Passed House, Date 5-6-83 (p. 1908) Passed Senate, Date 5-4-83 (p. 1526)

Vote: Ayes 56 Nays 36 Vote: Ayes 46 Nays 3

Approved June 8, 1983

A BILL FOR

1 An Act relating to funds available to school districts.

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

3

4

Conference Committee Appointed 5/14/83

5

Representatives Groth (Chair), Connally, Ollie, Daggitt, Krewson (p. 2187)

6

Senators Brown (Chair), Colton, Grubas, Horn, Taylor (p. 1765)

7

House Amendments _____

8

9

Passed per Conference Committee Report

10

*Senate 5-14-83 (p. 1777)
40-8*

*House 5-14-83 (p. 2263)
81-14*

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1 Section 1. Section 265.6, Code 1983, is amended to read
2 as follows:

3 265.6 STATE AID APPLICABLE. If the state board of regents
4 has established a laboratory school, it shall receive state
5 aid pursuant to chapters 281 and 442 for each pupil enrolled
6 in the laboratory school in the same amount as the public
7 school district in which the pupil resides would receive aid
8 for that pupil and shall transmit the amount received to the
9 institution of higher education at which the laboratory school
10 has been established. If the board of a school district
11 terminates a contract with the state board of regents for
12 attendance of pupils in a laboratory school, the school
13 district shall inform the state comptroller of the number
14 of these pupils who are enrolled in the district on the second
15 Friday of the following September. The state comptroller
16 shall pay to the school district, from funds appropriated
17 in section 442.26, an amount equal to the amount of state
18 aid paid for each pupil in that school district for that
19 school year in payments made as provided in section 442.26.
20 ~~However, payments shall not be made for pupils for which an~~
21 ~~advance is received by the district under section 442.28.~~

22 Sec. 2. Section 279.33, Code 1983, is amended to read
23 as follows:

24 279.33 ANNUAL SETTLEMENTS. At a regular or special meeting
25 held ~~in July prior to or on July~~ not later than August 15,
26 the board of each school corporation shall meet, examine the
27 books of and settle with the secretary and treasurer for the
28 year ending on the ~~thirtieth day of~~ preceding June ~~preceding~~
29 30, and transact such other business as ~~may properly come~~
30 ~~before it~~ necessary. The treasurer at the time of such
31 settlement shall furnish the board with a sworn statement
32 from each depository showing the balance then on deposit in
33 such the depository. Should ~~if~~ the secretary or treasurer
34 fail to make proper reports for such the settlement, the board
35 shall take action to ~~secure the same~~ obtain the balance

1 information.

2 Sec. 3. Section 279.34, Code 1983, is amended to read
3 as follows:

4 279.34 FINANCIAL STATEMENT--PUBLICATION. In each school
5 district, the board shall, during the second week of July
6 August of each year, publish by one insertion in at least
7 one newspaper, if there is a newspaper published in said the
8 district, a summarized statement verified by affidavit of
9 the secretary of the board showing the receipts and
10 disbursements of all funds for the preceding school year.
11 In all such districts of more than one hundred twenty-five
12 thousand population, the statement of disbursements is to
13 show the names of the persons, firms, or corporations, and
14 the total amount paid to each during the school year.

15 Sec. 4. Section 279.35, Code 1983, is amended to read
16 as follows:

17 279.35 OTHER DISTRICTS--FILING STATEMENT. In every school
18 district wherein in which no newspaper is published, the
19 president and secretary of the board of directors thereof
20 shall file the above statement required in section 279.34
21 with the area education agency administrator during the second
22 week of July August of each year and shall post copies thereof
23 of the statement in three conspicuous places in the district.

24 Sec. 5. Section 442.3, Code 1983, is amended to read as
25 follows:

26 442.3 STATE FOUNDATION BASE. The state foundation base
27 for the school year beginning July 1, 1972, is seventy percent
28 of the state cost per pupil. For Except as otherwise provided
29 in this section, for each succeeding school year the state
30 foundation base shall be increased by the amount of one percent
31 of the state cost per pupil, up to a maximum of eighty percent
32 of the state cost per pupil. However, for the school years
33 beginning July 1, 1980, July 1, 1981, and July 1, 1982, the
34 state foundation base shall be the same as the state foundation
35 base for the school year beginning July 1, 1979. For the

1 school year beginning July 1, 1984 and succeeding school
2 years, the state foundation base is eighty percent of the
3 state cost per pupil. The district foundation base is the
4 larger of the state foundation base or the amount per pupil
5 which the district will receive from foundation property tax
6 and state school foundation aid.

7 Sec. 6. Section 442.4, subsection 1, unnumbered paragraph
8 5, Code 1983, is amended to read as follows:

9 A school district shall certify its basic enrollment to
10 the department of public instruction by September 25 of each
11 year, and the department shall promptly forward the information
12 to the state comptroller. ~~For purposes of determining whether~~
13 ~~a district is entitled to an advance for increasing enrollment~~
14 ~~a determination of actual enrollment shall be made on the~~
15 ~~second Friday of September in the budget year by counting~~
16 ~~the pupils in the same manner and to the same extent that~~
17 ~~they are counted in determining basic enrollment, but~~
18 ~~substituting the count in the budget year for the count in~~
19 ~~the base year. -- In addition, a~~ A school district shall
20 determine its additional enrollment because of special
21 education defined in section 442.38, on December 1 of each
22 year and if the district is entitled to an advance for special
23 education, it shall certify its additional enrollment because
24 of special education to the department of public instruction
25 by December 15 of each year, and the department shall promptly
26 forward the information to the state comptroller.

27 Sec. 7. Section 442.4, subsection 3, paragraphs a and
28 b, Code 1983, are amended to read as follows:

29 a. ~~Twenty-five~~ Thirty percent of the basic enrollment
30 for the school year beginning July 1, 1979.

31 b. ~~Seventy-five~~ Seventy percent of the adjusted enrollment
32 computed under subsection 2, paragraph "a," of this section.

33 Sec. 8. Section 442.4, subsection 4, Code 1983, is amended
34 by striking the subsection and inserting in lieu thereof the
35 following:

1 4. For the school year beginning July 1, 1984 and each
2 succeeding school year, if an amount equal to the district
3 cost per pupil for the budget year minus the amount included
4 in the district cost per pupil for the budget year to
5 compensate for the cost of special education support services
6 for a school district times the budget enrollment of the
7 school district for the budget year is less than one hundred
8 two percent times an amount equal to the district cost per
9 pupil for the base year minus the amount included in the
10 district cost per pupil for the base year to compensate for
11 the cost of special education support services for the base
12 year times the budget enrollment of the school district for
13 the base year, the comptroller shall increase the budget
14 enrollment for the school district for the budget year to
15 a number which will provide that one hundred two percent
16 amount.

17 Sec. 9. Section 442.7, subsection 5, Code 1983, is amended
18 by striking the subsection and inserting in lieu thereof the
19 following:

20 5. Notwithstanding subsections 1 through 4, for the school
21 year beginning July 1, 1984, the state percent of growth,
22 including the recomputations required under subsection 4,
23 is six and one-half percent.

24 Sec. 10. Section 442.9, subsection 1, paragraph a, Code
25 1983, is amended to read as follows:

26 a. As used in this chapter, "district cost per pupil"
27 for the school year beginning July 1, 1975, and subsequent
28 school years means district cost per pupil in weighted
29 enrollment. The district cost per pupil for the budget year
30 is equal to the district cost per pupil for the base year
31 plus the allowable growth. However, district cost per pupil
32 does not include additional allowable growth added for programs
33 for gifted and talented children and for programs for returning
34 dropouts under this chapter and does not include additional
35 allowable growth established by the school budget review

1 committee for a single school year only.

2 Sec. 11. Section 442.39, subsection 2, Code 1983, is
3 amended to read as follows:

4 2. Pupils attending classes in another school district
5 or an area school, attending classes taught by a teacher who
6 is employed jointly under section 280.15, or attending classes
7 taught by a teacher who is employed by another school district,
8 are assigned a weighting of one plus one-tenth times the
9 percent of the pupil's school day during which the pupil
10 attends classes in another district or area school, attends
11 classes taught by a teacher who is jointly employed under
12 section 280.15, or attends classes taught by a teacher who
13 is employed by another school district.

14 Sec. 12. Section 442.39, Code 1983, is amended by adding
15 the following new subsection:

16 NEW SUBSECTION. 3A. A school district receiving additional
17 funds under subsection 2 for its pupils that are enrolled
18 in sequential mathematics courses at the advanced algebra
19 level and above; chemistry, advanced chemistry, physics or
20 advanced physics courses; or foreign language courses shall
21 have an additional weighting of one pupil added to its total.

22 Sec. 13. NEW SECTION. 442.45 PROGRAMS FOR RETURNING
23 DROPOUTS. For the school year beginning July 1, 1984 and
24 succeeding school years, boards of school districts,
25 individually or jointly with boards of other school districts,
26 requesting to use additional allowable growth for programs
27 for returning dropouts, may annually submit comprehensive
28 program plans for the programs and budget costs, including
29 requests for additional allowable growth for funding the
30 programs, to the department of public instruction as provided
31 in this chapter. In addition to the requirements for program
32 plans listed in section 442.32, the program plans shall
33 include:

34 1. A provision for dropout prevention and integration
35 of dropouts into the educational program of the district.

1 2. A provision for identifying dropouts.

2 3. A program for returning dropouts.

3 Program plans for dropouts shall identify the parts of
4 the plan that will be implemented first upon approval of the
5 application. If a district is requesting to use additional
6 allowable growth to finance the program, it shall not identify
7 more than five percent of its budget enrollment for the budget
8 year as returning dropouts.

9 Sec. 14. NEW SECTION. 442.46 DEFINED. "Returning
10 dropouts" are resident pupils who have been enrolled in a
11 public or nonpublic school in any of grades seven through
12 twelve who withdrew from school for a reason other than
13 transfer to another school or school district and who
14 subsequently enrolled in public school in the district.

15 Sec. 15. NEW SECTION. 442.47 PLANS FOR RETURNING
16 DROPOUTS. The board of directors of a school district
17 requesting to use additional allowable growth for programs
18 for returning dropouts shall submit applications for approval
19 for the programs to the department not later than November
20 1 preceding the fiscal year during which the program will
21 be offered. The department shall review the program plans
22 and shall prior to January 15 either grant approval for the
23 program or return the request for approval with comments of
24 the department included. An unapproved request for a program
25 may be resubmitted with modifications to the department not
26 later than February 1. Not later than February 15, the
27 department shall notify the state comptroller and the school
28 budget review committee of the names of the school districts
29 for which the programs using additional allowable growth for
30 funding have been approved and the approved budget of each
31 program listed separately for each school district having
32 an approved program.

33 Sec. 16. NEW SECTION. 442.48 FUNDING FOR PROGRAMS FOR
34 RETURNING DROPOUTS. The budget of an approved program for
35 returning dropouts for a school district, after subtracting

1 funds received from other sources for that purpose, shall
2 be funded annually on a basis of one-fourth or more from the
3 district cost of the school district and up to three-fourths
4 by an increase in allowable growth as defined in section
5 442.7. Annually, the state comptroller shall establish a
6 modified allowable growth for each such district equal to
7 the difference between the approved budget for the program
8 for returning dropouts for that district and the sum of the
9 amount funded from the district cost of the school district
10 plus funds received from other sources.

11 Sec. 17. Section 453.2, Code 1983, is amended by adding
12 the following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. The written resolution or order
14 of the board of directors of a school board shall include
15 information concerning the interest rate paid by the bank
16 for deposits of school moneys and service charges for at least
17 two banks.

18 Sec. 18. NEW SECTION. 453.15 STATE INVESTMENT. In
19 addition to section 453.2, the board of directors of a school
20 board, may by written resolution or order which shall be
21 entered in the minutes of the board send moneys of the school
22 district to the treasurer of state for investment for a period
23 not less than ninety days. The treasurer of state shall
24 maintain a separate account of moneys sent by each school
25 district. The moneys of a school district may be commingled
26 with state funds for purposes of investment. A school district
27 shall not have a right to a specific asset of the state.
28 The treasurer of state shall maintain the necessary records
29 to determine the value of investments of each school district.
30 Income or gain realized from investment of moneys of a school
31 district and investment expense or loss shall be allocated
32 to the moneys of each school district in the same ratio that
33 the funds of the school district bear to the total funds.

34 A school district electing to transfer investment authority
35 may withdraw its assets from state investments at the end

1 of a month. Withdrawal shall be by written notice and the
2 amount payable shall be the balance as of the end of the month
3 next following receipt of the notice.

4 The treasurer of state shall adopt rules under chapter
5 17A for the administration of this section. The cost of
6 administration shall be deducted from the earnings of the
7 school districts.

8 Sec. 19. Section 442.28, Code 1983, is repealed.

9 Sec. 20. Sections 17 and 18 of this Act take effect July
10 1, 1983. The remaining sections of this Act take effect July
11 1, 1983 for the school year beginning July 1, 1984. This
12 Act shall not affect the computation and payment of state
13 aid and levying of property taxes under the state school
14 foundation program for the school year beginning July 1, 1983.

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S-3461

1 Amend House File 562, as amended, passed, and
2 reprinted by the House, as follows:

3 1. By striking everything after the enacting
4 clause and inserting in lieu thereof the following:

5 "Section 1. Section 32.2, Code 1983, is amended
6 to read as follows:

7 32.2 ACTIONS FOR PENALTY. ~~Such~~ The action or
8 suit may be brought by and in the name of the state,
9 on the relation of ~~any a~~ a citizen thereof of the state,
10 and ~~such the~~ the penalty, when collected, less the
11 reasonable cost and expense of action or suit and
12 recovery, to be certified by the clerk of the district
13 court of the county in which the offense is committed,
14 shall be paid ~~into the county treasury for the benefit~~
15 ~~of the school fund~~ to the treasurer of state for
16 deposit in the general fund of the state, and two
17 or more penalties may be sued for and recovered in
18 the same action or suit.

19 Sec. 2. Section 99.30, Code 1983, is amended to
20 read as follows:

21 99.30 APPLICATION OF TAX. The said tax collected
22 shall be applied ~~in payment of any~~ toward the
23 deficiency in the payment of costs of the action and
24 ~~abatement on behalf of the state to the extent of~~
25 ~~such deficiency which exist~~ after the application
26 ~~thereto~~ of the proceeds of the sale of personal
27 ~~property as hereinbefore provided, and the.~~ The
28 remainder of said the tax together with the unexpended
29 portion of the proceeds of the sale of personal
30 property shall be ~~distributed to the temporary school~~
31 ~~fund of the county~~ paid to the treasurer of state
32 for deposit in the general fund of the state, except
33 that ten percent of the amount of the whole tax
34 collected and of the whole proceeds of the sale of
35 ~~said the~~ the personal property, as provided in this
36 chapter, shall be paid by the treasurer to the attorney
37 representing the state in the injunction action, at
38 the time of final judgment.

39 Sec. 3. Section 127.21, Code 1983, is amended
40 to read as follows:

41 127.21 ~~SCHOOL-FUND PROCEEDS.~~ Any balance of said
42 ~~the~~ proceeds shall be paid by the sheriff to the
43 ~~county treasurer who shall credit the same to the~~
44 ~~county school fund~~ treasurer of state for deposit
45 in the general fund of the state.

46 Sec. 4. Section 273.3, subsection 14, Code 1983,
47 is amended by striking the subsection.

48 Sec. 5. Section 279.33, Code 1983, is amended
49 to read as follows:

50 279.33 ANNUAL SETTLEMENTS. At a regular or special

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1 meeting held ~~in July prior to or on July~~ not later
2 than August 15, the board of each school corporation
3 shall meet, examine the books of and settle with the
4 secretary and treasurer for the year ending on the
5 ~~thirtieth day of preceding June preceding~~ 30, and
6 transact ~~such~~ other business as ~~may properly come~~
7 ~~before it~~ necessary. The treasurer at the time of
8 ~~such~~ settlement shall furnish the board with a sworn
9 statement from each depository showing the balance
10 then on deposit in ~~such~~ the depository. ~~Should if~~
11 the secretary or treasurer fail to make proper reports
12 for ~~such~~ the settlement, the board shall take action
13 to ~~secure the same~~ obtain the balance information.

14 Sec. 6. Section 279.34, Code 1983, is amended
15 to read as follows:

16 279.34 FINANCIAL STATEMENT--PUBLICATION. In each
17 school district, the board shall, during the second
18 week of ~~July~~ August of each year, publish by one
19 insertion in at least one newspaper, if there is a
20 newspaper published in ~~said~~ the district, a summarized
21 statement verified by affidavit of the secretary of
22 the board showing the receipts and disbursements of
23 all funds for the preceding school year. In all ~~such~~
24 districts of more than one hundred twenty-five thousand
25 population, the statement of disbursements is to show
26 the names of the persons, firms, or corporations,
27 and the total amount paid to each during the school
28 year.

29 Sec. 7. Section 279.35, Code 1983, is amended
30 to read as follows:

31 279.35 OTHER DISTRICTS--FILING STATEMENT. In
32 every school district ~~wherein~~ in which no newspaper
33 is published, the president and secretary of the board
34 of directors ~~thereof~~ shall file the ~~above~~ statement
35 required in section 279.34 with the area education
36 agency administrator during the second week of ~~July~~
37 August of each year and shall post copies ~~thereof~~
38 of the statement in three conspicuous places in the
39 district.

40 Sec. 8. Section 302.4, Code 1983, is amended to
41 read as follows:

42 302.4 DIVISION AND APPRAISEMENT. The board of
43 supervisors may, ~~at such time as it may fix, and~~ as
44 preliminary to a sale, authorize the trustees of any
45 a township, where the sixteenth section or land
46 selected in lieu ~~thereof~~ of the sixteenth section
47 has not been sold, to lay out the ~~same~~ section into
48 ~~such~~ tracts as in their judgment will be for the best
49 interests of the permanent school fund, conforming,
50 as far as the interests of ~~said~~ the fund will permit,

1 to the legal subdivisions of the United States surveys,
2 and appraise each tract at what they believe to be
3 its true value, and certify to ~~said~~ the board the
4 divisions and appraisements made by them. ~~Said~~ The
5 division and appraisement shall be approved or
6 disapproved by ~~said~~ the board at its first meeting
7 after ~~such~~ the report, and in case it disapproves
8 ~~the same~~, it may at once order another division and
9 appraisement. If the board of supervisors approves,
10 the county auditor shall make and keep a record of
11 ~~such~~ the division, appraisement, and approval; but
12 ~~no~~ school lands ~~of any kind~~ shall not be sold for
13 less than the appraised value per acre, except as
14 ~~hereinafter provided, nor shall any.~~ A member of
15 the board of supervisors, county auditor, township
16 trustee, or any a person who was engaged in the
17 division and appraisement of ~~said~~ the land, shall
18 not be directly or indirectly interested in the
19 purchase thereof of the land; and any sale made, where
20 ~~such~~ the parties ~~or any of them are so interested~~
21 have an interest in the land, shall be void.

22 Sec. 9. Section 302.6, Code 1983, is amended to
23 read as follows:

24 302.6 SALE WITHOUT APPRAISEMENT. When the county
25 board of supervisors ~~of any county~~ has once offered
26 for sale any school lands held under section 302.1
27 in compliance with the requirements of this chapter,
28 and they remain unsold, and it is unable to obtain
29 ~~therefor~~ the appraised value thereof of the lands,
30 and in the opinion of ~~said~~ the board, it is for the
31 best interests of the permanent school fund that the
32 same lands be sold for a less price, it may instruct
33 the auditor to transmit to the secretary of state
34 a certified copy of its proceedings in relation to
35 the order of sale thereof of the land and subsequent
36 proceedings in relation ~~thereto to the sale~~, including
37 the action of the township trustees, and the price
38 per acre at which the land had been appraised, ~~which~~
39 ~~transcript the.~~ The secretary of state shall submit
40 the transcript of the proceedings to the executive
41 council; and if it approves of a sale at a less sum,
42 it shall certify ~~such~~ the approval to the auditor
43 of the county from which ~~said~~ the transcript came,
44 which. The certificate shall be transcribed recorded
45 in the minute book of the board of supervisors, and
46 ~~thereupon~~ ~~said~~ the land may again be offered and sold
47 to the highest bidder without again being appraised,
48 after notice given as in case of sales in the first
49 instance, ~~without being again appraised.~~

50 Sec. 10. Section 302.8, Code 1983, is amended

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1 to read as follows:

2 302.8 SALE OF LANDS BID IN. When lands have been
3 sold and bid in by the state in behalf of the permanent
4 school fund upon a judgment in favor of such the fund,
5 the land may be sold in ~~like~~ the same manner as other
6 school lands, and when lands have been conveyed to
7 the counties in which they are situated for the use
8 of the permanent school fund, instead of to the state,
9 ~~such the conveyance shall be~~ is valid and binding,
10 and upon proper certificates of sales patents shall
11 issue in ~~like~~ the same manner as ~~in cases where~~ if
12 the conveyances ~~were~~ had been properly made to the
13 state.

14 Sec. 11. Section 302.9, Code 1983, is amended
15 to read as follows:

16 302.9 CASH OR COLLATERAL SECURITY. When, in the
17 judgment of the board of supervisors, any school lands
18 held under section 302.1 are of such a character that
19 a sale upon partial credit would be unsafe or
20 incompatible with the interest of the permanent school
21 fund, and especially in the case of timbered lands,
22 the board of supervisors may ~~in its discretion exact~~
23 ~~the whole of~~ require the entire purchase money in
24 advance; or if ~~it~~ the board sells such the land upon
25 a partial credit, ~~as hereinbefore prescribed,~~ it shall
26 require good collateral security for the payment of
27 the part upon which credit is given.

28 Sec. 12. Section 302.10, Code 1983, is amended
29 to read as follows:

30 302.10 UNIFORM INTEREST DATE. ~~in all cases where~~
31 If money is due to the permanent school fund, either
32 for loans or deferred payments of the purchase price
33 of land sold, the interest shall be made payable on
34 the first day of January each year, and if the debtor
35 fails to pay the interest within six months ~~thereafter~~
36 of the date it is due, the entire amount of both
37 principal and interest shall become due, and the
38 county auditor shall ~~make a report thereof the~~
39 nonpayment to the county attorney, who shall
40 immediately commence action for the collection of
41 the amount reported ~~to him as due, and this.~~ This
42 section is ~~hereby declared to be~~ a part of any a
43 contract made by virtue of this chapter, whether
44 expressed ~~therein~~ in the contract or not.

45 Sec. 13. Section 302.11, Code 1983, is amended
46 to read as follows:

47 302.11 SCHOOL FUND ACCOUNTS--AUDIT OF LOSSES.
48 The state comptroller shall keep the permanent school
49 fund accounts in books provided for that purpose,
50 separate and distinct from the revenue books. The

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1 auditor of state shall audit all losses to the
2 permanent school or university fund ~~which shall have~~
3 ~~been occasioned~~ caused by the defalcation,
4 mismanagement, or fraud of the agents or officers
5 controlling and managing the same, ~~and for this purpose~~
6 the fund. The auditor of state shall ~~prescribe such~~
7 regulations adopt rules for those officers as may
8 be necessary to ascertain ~~such~~ the losses.

9 Sec. 14. Section 302.15, Code 1983, is amended
10 to read as follows:

11 302.15 MANAGEMENT. ~~All property~~ Property and
12 money hereafter accrued to the permanent school fund
13 shall be managed and controlled by the state treasurer
14 of state, and ~~he shall be the treasurer of state is~~
15 responsible for the safekeeping, investment,
16 reinvestment and disbursement of the same property
17 and money.

18 Sec. 15. Section 302.16, Code 1983, is amended
19 to read as follows:

20 302.16 ACTIONS. ~~All actions~~ Actions for and in
21 behalf of ~~said the~~ fund may be brought in the name
22 of the state for the use of the permanent school fund,
23 by the attorney general.

24 Sec. 16. Section 302.17, Code 1983, is amended
25 to read as follows:

26 302.17 LIABILITY OF COUNTY. Each county shall
27 ~~be is~~ liable for all losses upon loans of the permanent
28 school fund, principal or interest, made in ~~such the~~
29 county, unless the loss was not occasioned by reason
30 of any a default of its officers or by taking
31 insufficient or imperfect securities, or from a failure
32 to bid at an execution sale the full amount of the
33 judgment and costs.

34 Sec. 17. Section 302.19, Code 1983, is amended
35 to read as follows:

36 302.19 LOANS. The permanent school fund shall
37 be loaned out or invested by the state treasurer of
38 state as it comes into ~~his~~ the treasurer's hands.

39 Sec. 18. Section 302.28, Code 1983, is amended
40 to read as follows:

41 302.28 STATUTE OF LIMITATION. Lapse of time shall
42 ~~in no case be~~ is not a bar to any action to recover
43 any a part of the permanent school fund, ~~nor shall~~
44 and it does not prevent the introduction of evidence
45 in ~~such~~ an action, except as provided in sections
46 614.29 to 614.38.

47 Sec. 19. Section 302.29, Code 1983, is amended
48 to read as follows:

49 302.29 PAYMENTS. ~~All payments~~ Payments to the
50 permanent school fund upon contracts, or loans of

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1 ~~any-ether~~ another nature, shall be made to the
2 treasurer of the county upon a certificate from the
3 auditor showing the amount due.

4 Sec. 20. Section 302.31, Code 1983, is amended
5 to read as follows:

6 302.31 SCHOOL FUND ACCOUNT--SETTLEMENT. The
7 auditor shall also keep ~~in-his-office~~, in books to
8 be provided for that purpose, an account to be known
9 as the permanent school fund account, in which a
10 memorandum of ~~all~~ all the notes, mortgages, bonds, money,
11 and assets ~~of-every-kind-and-description~~ which may
12 come into ~~his~~ the auditor's hands and those of the
13 treasurer shall be entered, and separate accounts
14 of principal and interest be kept, ~~and-the~~. The
15 county treasurer shall also keep ~~a-like~~ an account
16 and record of all school funds coming into ~~his~~ the
17 county treasurer's hands. Settlements of ~~such~~ the
18 account shall be made with the board of supervisors
19 at its January and June sessions, ~~which~~ and the
20 settlements shall be recorded with the proceedings
21 of the board.

22 Sec. 21. Section 302.32, Code 1983, is amended
23 to read as follows:

24 302.32 NOTICE OF DEFAULT. When outstanding
25 contracts for the sale of school lands or notes for
26 money of the permanent school fund loaned, or interest
27 ~~thereon~~ on the permanent school fund, are due, the
28 auditor shall by mail at once notify the debtor to
29 make payment ~~thereof~~ within three months.

30 Sec. 22. Section 302.34, Code 1983, is amended
31 to read as follows:

32 302.34 BID AT EXECUTION SALE. Upon a sale of
33 lands under an execution founded upon a permanent
34 school fund claim or right, the auditor shall bid
35 ~~such~~ a sum as required by the interests of the fund
36 ~~require~~, and, if struck off to the state, it shall
37 be thereafter treated ~~in-all-respects~~ the same as
38 other lands belonging to ~~said~~ the fund.

39 Sec. 23. Section 302.35, Code 1983, is amended
40 to read as follows:

41 302.35 SHERIFF'S DEED TO STATE. When lands have
42 been bid in by the county for the state under
43 foreclosure of permanent school fund mortgages and
44 the time for redemption has expired, a sheriff's deed
45 shall be issued to the state for the use and benefit
46 of the permanent school fund. The county auditor
47 shall file the ~~said~~ deed for record in the office
48 of the county recorder who shall record the same deed
49 without fee and return ~~the-same~~ it when recorded to
50 the county auditor who shall then forward ~~the-same~~

1 it to the secretary of state. The secretary of state
2 shall record the ~~said deed in his records~~ and then
3 file ~~the same~~ it with the state comptroller.

4 Sec. 24. Section 302.38, Code 1983, is amended
5 to read as follows:

6 302.38 EXCESS--LOSS BORNE BY COUNTY. Any An
7 excess over the amount of the unpaid portion of the
8 principal, costs of foreclosure, and interest on the
9 principal ~~as above provided~~, shall inure to the county
10 and be credited to the general county fund. If the
11 lands ~~shall be~~ are sold for a less amount than the
12 unpaid portion of the principal, the loss shall be
13 sustained by the county, and the board of supervisors
14 shall at once order the amount of ~~such~~ the loss
15 transferred from the general fund ~~or temporary school~~
16 ~~fund~~ of the county to the permanent school fund
17 account.

18 Sec. 25. Section 302.39, Code 1983, is amended
19 to read as follows:

20 302.39 REPORT AS TO SALES--INTEREST. County
21 auditors shall report, on or before ~~the first day~~
22 of January 1 of each year, ~~report~~ to the state
23 comptroller the amount of ~~all~~ the sales and resales
24 made during the year previous year, of the sixteenth
25 section, five-hundred-thousand-acre grant, escheat
26 estates, and lands taken under foreclosure of permanent
27 school fund mortgages, and the state comptroller shall
28 charge ~~the same~~ them to the counties with interest
29 from the date of such sale or resale to January 1,
30 at the rate of three percent per annum.

31 Sec. 26. Section 302.42, Code 1983, is amended
32 to read as follows:

33 302.42 REPORT AS TO RENTS. County By January
34 1 of each year, county auditors shall, ~~upon the first~~
35 ~~day of January of each year~~, report to the state
36 comptroller the amount of rents collected during the
37 preceding year on unsold school lands and lands taken
38 under foreclosure of permanent school fund mortgages
39 then in the hands of the county treasurer, and the
40 state comptroller shall include the amount ~~so~~ reported
41 in ~~his~~ the semiannual apportionment of interest.

42 Sec. 27. Section 302.44, Code 1983, is amended
43 to read as follows:

44 302.44 PENALTY AGAINST COUNTY AUDITOR. Any A
45 county auditor failing or neglecting to perform any
46 ~~of the required~~ required duties ~~which are required of him by~~
47 ~~the provisions of~~ under this chapter, ~~shall be~~ is
48 liable to a penalty of not less than one hundred nor
49 more than five hundred dollars, to be recovered in
50 an action brought in the district court by the board

1 of supervisors, ~~the~~. The judgment to shall be entered
2 against the party and his the party's bondsmen, and
3 the proceeds to go to the school fund shall be paid
4 to the treasurer of state for deposit in the general
5 fund of the state.

6 Sec. 28. Section 331.502, subsection 50, Code
7 1983, is amended to read as follows:

8 50. ~~In the case of~~ For payment of a permanent
9 school fund mortgage, acknowledge satisfaction of
10 the mortgage by execution of a written instrument
11 referring to the mortgage as provided in section
12 655.1.

13 Sec. 29. Section 331.509, subsection 1, paragraph
14 o, Code 1983, is amended to read as follows:

15 o. The reports of magistrates and other officers,
16 including forfeited recognizances in their offices,
17 fines, penalties, forfeitures imposed in their
18 respective courts, and forfeited appearance bonds
19 in criminal cases, all of which are payable to the
20 ~~county treasury for the benefit of the school fund~~
21 treasurer of state to be deposited in the general
22 fund of the state.

23 Sec. 30. Section 331.552, subsection 11, Code
24 1983, is amended by striking the subsection.

25 Sec. 31. Section 331.552, subsection 20, Code
26 1983, is amended to read as follows:

27 20. Maintain a permanent school fund account and
28 records of school funds received as provided in section
29 302.31.

30 Sec. 32. Section 360.3, Code 1983, is amended
31 to read as follows:

32 360.3 TRANSFER OF FUND. When there are funds
33 in the hands of any a township clerk, raised under
34 ~~the provisions of~~ this chapter which are not desired
35 for the purposes for which they were raised, the funds
36 may be transferred to the school general fund of any
37 a school district or districts pro rata ~~wherein same~~
38 was in which the funds were raised, when a petition
39 is presented to the trustees, signed by a majority
40 of the qualified electors of ~~said~~ the township, as
41 shown by the election register or registers of the
42 last preceding primary or general election held in
43 ~~said the township, said~~. The transfer of funds ~~to~~
44 shall be made by the township clerk upon order of
45 the trustees after the filing of said the petition
46 with said the clerk.

47 Sec. 33. Section 442.3, Code 1983, is amended
48 to read as follows:

49 442.3 STATE FOUNDATION BASE. The state foundation
50 base for the school year beginning July 1, 1972, is

1 seventy percent of the state cost per pupil. For
2 Except as otherwise provided in this section, for
3 each succeeding school year the state foundation base
4 shall be increased by the amount of one percent of
5 the state cost per pupil, up to a maximum of eighty
6 percent of the state cost per pupil. However, for
7 the school years beginning July 1, 1980, July 1, 1981,
8 and July 1, 1982, the state foundation base shall
9 be the same as the state foundation base for the
10 school year beginning July 1, 1979. For the school
11 year beginning July 1, 1984 and succeeding school
12 years, the state foundation base is eighty percent
13 of the state cost per pupil. The district foundation
14 base is the larger of the state foundation base or
15 the amount per pupil which the district will receive
16 from foundation property tax and state school
17 foundation aid.

18 Sec. 34. Section 442.4, subsection 4, Code 1983,
19 is amended by striking the subsection and inserting
20 in lieu thereof the following:

21 4. For the school year beginning July 1, 1984
22 and each succeeding school year, if an amount equal
23 to the district cost per pupil for the budget year
24 to compensate for the cost of special education support
25 services for a school district times the budget
26 enrollment of the school district for the budget year
27 is less than one hundred percent times an amount equal
28 to the district cost per pupil for the base year minus
29 the amount included in the district cost per pupil
30 for the base year to compensate for the cost of special
31 education support services for a school district for
32 the base year times the budget enrollment for the
33 school district for the base year, the state
34 comptroller shall increase the budget enrollment for
35 the school district for the budget year to a number
36 which will provide that one hundred percent amount.

37 Sec. 35. Section 442.7, subsection 7, Code 1983,
38 is amended by adding the following new paragraph:

39 NEW PARAGRAPH. For the budget school year beginning
40 July 1, 1983, by adding to the basic allowable growth
41 per pupil for the budget year an amount not to exceed
42 the amount of moneys received by a school district
43 under section 302.3 during the school year beginning
44 July 1, 1981 and ending June 30, 1982, as certified
45 by the board of directors to the state comptroller.

46 Sec. 36. Section 442.9, subsection 1, paragraph
47 a, Code 1983, is amended to read as follows:

48 a. As used in this chapter, "district cost per
49 pupil" for the school year beginning July 1, 1975,
50 and subsequent school years means district cost per

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1 pupil in weighted enrollment. The district cost per
2 pupil for the budget year is equal to the district
3 cost per pupil for the base year plus the allowable
4 growth. However, district cost per pupil does not
5 include additional allowable growth added for programs
6 for gifted and talented children and for programs
7 for returning dropouts under this chapter and does
8 not include additional allowable growth established
9 by the school budget review committee for a single
10 school year only.

11 Sec. 37. Section 442.26, unnumbered paragraph
12 2, Code 1983, is amended by striking the unnumbered
13 paragraph and inserting in lieu thereof the following:

14 All state aids paid under this chapter, unless
15 otherwise stated, shall be paid in monthly installments
16 beginning on September 15 of a budget year and ending
17 on June 15 of the budget year and the installments
18 shall be as nearly equal as possible as determined
19 by the state comptroller, taking into consideration
20 the relative budget and cash position of the state
21 resources. However, the state aids paid to school
22 districts under section 442.28 shall be paid in monthly
23 installments beginning on December 15 and ending on
24 June 15 of a budget year and state aids paid to school
25 districts under section 442.38 shall be paid in monthly
26 installments beginning on February 15 and ending on
27 June 15 of a budget year.

28 Sec. 38. NEW SECTION. 442.44 UNEXPENDED CASH
29 BALANCES. The state comptroller shall determine the
30 amount of unexpended cash balance of each school
31 district as of June 30, 1985 and shall determine the
32 portion of that cash balance that is state aid and
33 the portion that is property tax. The state
34 comptroller shall deduct the amount of the unexpended
35 cash balance that is state aid, not to exceed an
36 amount equal to five-sixths times the authorized
37 budget of the district for the budget year beginning
38 July 1, 1985, from the monthly state aid payments
39 due the district pursuant to chapter 442 commencing
40 January 15, 1986 and ending June 15, 1986. However,
41 the amount deducted by the state comptroller shall
42 not reduce the amount of unexpended cash balance of
43 a school district as of June 30, 1985 to below one
44 hundred thousand dollars. If a district does not
45 qualify for state aid under chapter 442 in an amount
46 sufficient to cover its amount due to the state
47 comptroller, the school district shall pay not later
48 than June 16, 1986 the remaining portion of the amount
49 due from other moneys available to the district.

3478 50 Sec. 39. NEW SECTION. 442.45 PROGRAMS FOR

1 RETURNING DROPOUTS. For the school year beginning
2 July 1, 1984 and succeeding school years, boards of
3 school districts, individually or jointly with boards
4 of other school districts, requesting to use additional
5 allowable growth for programs for returning dropouts,
6 may annually submit comprehensive program plans for
7 the programs and budget costs, including requests
8 for additional allowable growth for funding the
9 programs, to the department of public instruction
10 as provided in this chapter. In addition to the
11 requirements for program plans listed in section
12 442.32, the program plans shall include:

13 1. A provision for dropout prevention and
14 integration of dropouts into the educational program
15 of the district.

16 2. A provision for identifying dropouts.

17 3. A program for returning dropouts.

18 Program plans for dropouts shall identify the parts
19 of the plan that will be implemented first upon
20 approval of the application. If a district is
21 requesting to use additional allowable growth to
22 finance the program, it shall not identify more than
23 five percent of its budget enrollment for the budget
24 year as returning dropouts.

25 Sec. 40. NEW SECTION. 442.46 DEFINED. "Returning
26 dropouts" are resident pupils who have been enrolled
27 in a public or nonpublic school in any of grades seven
28 through twelve who withdrew from school for a reason
29 other than transfer to another school or school
30 district and who subsequently enrolled in public
31 school in the district.

32 Sec. 41. NEW SECTION. 442.47 PLANS FOR RETURNING
33 DROPOUTS. The board of directors of a school district
34 requesting to use additional allowable growth for
35 programs for returning dropouts shall submit
36 applications for approval for the programs to the
37 department not later than November 1 preceding the
38 fiscal year during which the program will be offered.
39 The department shall review the program plans and
40 shall prior to January 15 either grant approval for
41 the program or return the request for approval with
42 comments of the department included. An unapproved
43 request for a program may be resubmitted with
44 modifications to the department not later than February
45 1. Not later than February 15, the department shall
46 notify the state comptroller and the school budget
47 review committee of the names of the school districts
48 for which the programs using additional allowable
49 growth for funding have been approved and the approved
50 budget of each program listed separately for each

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1 school district having an approved program.

2 Sec. 42. NEW SECTION. 442.48 FUNDING FOR PROGRAMS
3 FOR RETURNING DROPOUTS. The budget of an approved
4 program for returning dropouts for a school district,
5 after subtracting funds received from other sources
6 for that purpose, shall be funded annually on a basis
7 of one-fourth or more from the district cost of the
8 school district and up to three-fourths by an increase
9 in allowable growth as defined in section 442.7.
10 Annually, the state comptroller shall establish a
11 modified allowable growth for each such district equal
12 to the difference between the approved budget for
13 the program for returning dropouts for that district
14 and the sum of the amount funded from the district
15 cost of the school district plus funds received from
16 other sources.

17 Sec. 43. Section 508.15, Code 1983, is amended
18 to read as follows:

19 508.15 VIOLATION BY FOREIGN COMPANY. Companies
20 organized and chartered by the laws of a foreign state
21 or country, failing to file the evidence of investment
22 and statement within the time fixed, shall forfeit
23 and pay the sum of three hundred dollars, to be
24 collected in an action in the name of the state ~~for~~
25 ~~the-use-of-the-school-fund~~ and paid to the treasurer
26 of state for deposit in the general fund of the state,
27 and their right to transact further new business in
28 this state shall immediately cease until the
29 requirements of this chapter have been fully complied
30 with.

31 Sec. 44. Section 511.7, Code 1983, is amended
32 to read as follows:

33 511.7 RECOVERY OF PENALTIES. Actions brought
34 to recover any of the penalties provided for in this
35 chapter shall be instituted in the name of the state
36 by the county attorney of the county, under the
37 direction and authority of the commissioner of
38 insurance, and may be brought in the district court
39 of any county in which the company or association
40 proceeded against is engaged in the transaction of
41 business, or in which the offending person resides,
42 if it is against ~~him~~ the person. The penalties, when
43 recovered, shall be paid ~~into-the-state-treasury-for~~
44 ~~the-use-of-the-school-fund~~ to the treasurer of state
45 for deposit in the general fund of the state.

46 Sec. 45. Section 515.93, Code 1983, is amended
47 to read as follows:

48 515.93 VIOLATIONS. Any A violation of the
49 ~~provisions-of~~ sections 515.91 and 515.92 shall for
50 the first offense subject the company, association,

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1 or individual guilty thereof to a penalty of five
2 hundred dollars, to be recovered in the name of the
3 state, with costs, in an action instituted by the
4 county attorney, either in the county in which the
5 company, association, or individual is located or
6 transacts business, or in the county where the offense
7 is committed, and ~~such~~ the penalty, when recovered,
8 shall be paid ~~into the school fund of the county in~~
9 ~~which action is brought~~ to the treasurer of state

10 for deposit in the general fund of the state. Every
11 subsequent violation of said the sections shall ~~subject~~
12 subjects the company, association, or individual to
13 a penalty of one thousand dollars, to be sued for,
14 recovered, and disposed of in like manner.

15 Sec. 46. Section 534.12, subsection 4, Code 1983,
16 is amended to read as follows:

17 4. REDEMPTION. ~~At any time~~ When funds are on
18 hand for the purpose, the association shall ~~have the~~
19 ~~right to~~ may redeem by lot or otherwise, as the board
20 of directors ~~may determine~~ determines, all or any
21 part of any of its savings accounts on a dividend
22 date by giving thirty days' notice by registered mail
23 addressed to the account holders at their last
24 addresses recorded on the books of the association.
25 An association shall not redeem ~~any of~~ its share
26 accounts when the association is in an impaired
27 condition or when it has applications for withdrawal
28 which have been on file more than thirty days and
29 have not been reached for payment. The redemption
30 price of a savings account shall be the full value
31 of the account redeemed, as determined by the board
32 of directors, but ~~in no event shall~~ the redemption
33 value shall not be less than the withdrawal value.
34 If the notice of redemption has been given, and if
35 on or before the redemption date the funds necessary
36 for the redemption have been set aside ~~so as to be~~
37 ~~and continue to be available~~ for redemptions, dividends
38 upon the accounts called for redemption shall cease
39 to accrue from and after the dividend date specified
40 as the redemption date, and ~~all~~ rights with respect
41 to those accounts shall terminate as of the redemption
42 date, subject only to the right of the account holder
43 of record to receive the redemption value without
44 interest. ~~All savings~~ Savings accounts which have
45 been validly called for redemption must be tendered
46 for payment within ten years from the date of
47 redemption designated in the redemption notice, or
48 they shall be canceled and ~~forfeited for the use of~~
49 ~~the school fund of the county in which the association~~
50 has its principal place of business paid to the treasurer

1 of state for deposit in the general fund of the state
2 and all claims of the account holders against the
3 association ~~shall be~~ are barred forever. Redemption
4 shall not be made of any savings accounts which are
5 held by a person who is a director and which are
6 necessary to qualify the person to act as director.

7 Sec. 47. Section 535.5, Code 1983, is amended
8 to read as follows:

9 535.5 PENALTY FOR USURY. If it ~~shall be~~ is
10 ascertained in any an action brought on any a contract
11 that a rate of interest has been contracted for,
12 directly or indirectly, in money or in property,
13 greater than is authorized by this chapter, the same
14 rate shall work a forfeiture of eight cents on the
15 hundred by the year upon the amount of the principal
16 remaining unpaid upon such the contract at the time
17 judgment is rendered ~~thereon~~, and the court shall
18 enter final judgment in favor of the plaintiff and
19 against the defendant for the principal sum ~~so~~
20 remaining unpaid without costs, and also against the
21 defendant and in favor of the state, ~~for the use of~~
22 ~~the school fund of the county in which the action~~
23 ~~is brought~~ to be paid to the treasurer of state for
24 deposit in the general fund of the state, for the
25 amount of the forfeiture,--and in no case where. If
26 unlawful interest is contracted for ~~shall~~ the plaintiff
27 shall not have judgment for more than the principal
28 sum, whether the unlawful interest ~~be~~ is incorporated
29 with the principal or not.

30 Sec. 48. Section 586.1, subsection 4, Code 1983,
31 is amended to read as follows:

32 4. Acknowledgments of deeds, mortgages, permanent
33 school fund mortgages and contracts taken and certified
34 before 1970 by any county auditor, deputy county
35 auditor, or deputy clerk of the district court although
36 such officer was not authorized to take such the
37 acknowledgments at the time they were taken.

38 Sec. 49. Section 595.11, Code 1983, is amended
39 to read as follows:

40 595.11 NONSTATUTORY SOLEMNIZATION--FORFEITURE.
41 Marriages solemnized, with the consent of parties,
42 in any ~~other~~ other manner ~~than as herein that~~
43 prescribed in this chapter, are valid; but the parties
44 ~~thereto~~, and all persons aiding or abetting them,
45 shall forfeit to the school pay to the treasurer of
46 state for deposit in the general fund of the state
47 the sum of fifty dollars each; but this shall not
48 apply to the person conducting the marriage ceremony,
49 if within fifteen days thereafter ~~he~~ the person makes
50 the required return to the clerk of the district

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court.

2 Sec. 50. Section 602.55, Code 1983, is amended
3 to read as follows:

4 602.55 FUNDS, REPORTS. Each month each judicial
5 magistrate and district associate judge shall file
6 with the clerk of the district court of the proper
7 county a sworn, itemized statement of all cases
8 disposed of and all funds received and disbursed per
9 case, and at least monthly shall remit to the clerk
10 all funds received. The clerk shall provide adequate
11 clerical assistance to judicial magistrates and
12 district associate judges to carry out this section.
13 The clerk shall remit ninety percent of all fines
14 and forfeited bail received from a magistrate or
15 district associate judge to the city that was the
16 plaintiff in any action, shall remit to the city
17 ninety percent of all fines and forfeited bail received
18 for improper use of handicapped parking spaces in
19 violation of section 601E.6, subsection 2, when the
20 violations occurred within the city, shall remit all
21 fines and forfeited bail received from a magistrate
22 or district associate judge for violation of a county
23 ordinance except an ordinance relating to vehicle
24 speed or weight restrictions, to the county treasurer
25 of the county that was the plaintiff in any action
26 for deposit in the general fund of the county, and
27 shall provide that city or county with a statement
28 showing the total number of the cases, the total of
29 all fines and forfeited bail collected and the total
30 of all cases dismissed. However, if a county ordinance
31 provides a penalty for a violation which is also
32 penalized under state law, all fines and forfeited
33 bail collected for the violation of that ordinance
34 shall be deposited paid to the treasurer of state
35 for deposit in the ~~sehel~~ general fund of the state.
36 The clerk shall remit the remaining ten percent of
37 city fines and forfeited bail to the county treasurer
38 for deposit in the county general fund. The clerk
39 shall remit to the treasurer of ~~the-county~~ state,
40 ~~for the-benefit-of-the-sehel~~ deposit in the general
41 fund of the state, all other fines and forfeited bail
42 received from a magistrate. All fees and costs for
43 the filing of a complaint or information or upon
44 forfeiture of bail received from a magistrate shall
45 be remitted monthly by the clerk as follows:
46 1. One-half to the treasurer of state to be
47 credited to the general fund of the state.
48 2. One-third to the county treasurer to be credited
49 to the general fund of the county.
50 3. One-sixth to the treasurer of state to be

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1 credited to the judicial retirement fund created in
2 section 605A.4.

3 Sec. 51. Section 633.545, Code 1983, is amended
4 to read as follows:

5 633.545 SALE--PROCEEDS. If within six months
6 from the giving of such notice, no a claimant thereof
7 appears, such does not appear, the property may be
8 sold and the proceeds paid over by the personal
9 representative to the state comptroller for the benefit
10 of the permanent school fund.

11 Sec. 52. Section 644.15, Code 1983, is amended
12 to read as follows:

13 644.15 PROCEEDS--FORFEITURE. The net proceeds
14 of ~~all~~ sales made by the sheriff, and ~~all~~ money or
15 bank notes paid over to the county treasurer, as
16 directed in this chapter, shall remain in the hands
17 of the county treasurer in trust for the owner, if
18 ~~any such shall apply~~ the owner applies within one
19 year from the time the ~~same shall~~ proceeds, moneys,
20 or bank notes would have been paid over, but,
21 However, if no owner shall appear appears within such
22 that time, the money proceeds, moneys, or bank notes
23 shall be forfeited, and the claim of the owner thereto
24 is forever barred, in which event the money shall
25 remain in the county treasury for the use of the
26 common schools in said county be paid to the treasurer
27 of state for deposit in the general fund of the state.

28 Sec. 53. Section 666.3, Code 1983, is amended
29 to read as follows:

30 666.3 FINES AND FORFEITURES. ~~All fines~~ Fines
31 and forfeitures, after deducting ~~therefrom~~ court
32 costs, court expenses collectible through the clerk
33 of the court, and fees of collection, if any, and
34 not otherwise disposed of, shall ~~go into the treasury~~
35 ~~of the county where the same are collected for the~~
36 ~~benefit of the school fund~~ be paid to the treasurer
37 of state for deposit in the general fund of the state.

38 Sec. 54. Section 666.6, unnumbered paragraph 1,
39 Code 1983, is amended to read as follows:

40 The Not later than January 15 of each year, the
41 clerk of district court shall make an annual report
42 in writing to the board of supervisors at the first
43 regular meeting of the board in January treasurer
44 of state of all forfeited recognizances in the clerk's
45 office; of all fines, penalties, and forfeitures
46 imposed in the district court, which by law go into
47 the county treasury for the benefit of the school
48 fund are paid to the treasurer of state for deposit
49 in the general fund of the state; in what cause or
50 proceeding, when and for what purpose, against whom

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and for what amount, rendered; whether the fines, penalties, forfeitures, and recognizances have been paid, remitted, canceled, or otherwise satisfied; if so, when, how, and in what manner, and if not paid, remitted, canceled, or otherwise satisfied, what steps have been taken to enforce the collection of the fines, penalties, forfeitures and recognizances. However, the report shall only contain information not already reported on a monthly basis.

Sec. 55. Sections 127.22, 279.38, 280A.37, 302.3, and 302.24, Code 1983, are repealed.

Sec. 56. This Act, being deemed of immediate importance, takes effect from and after its publication in The Montezuma Republican, a newspaper published in Montezuma, Iowa, and in the Nora Springs Advertiser, a newspaper published in Nora Springs, Iowa.

Sec. 57. This Act takes effect July 1, 1983 except that section 35 of this Act takes effect upon publication, and sections 33, 34, 36, 37, and 39 through 42 take effect July 1, 1983 for computations required for payment of state aid and levying of property taxes under the state school foundation program for the school year beginning July 1, 1984."

S-3461 FILED
APRIL 7, 1983

BY COMMITTEE ON EDUCATION
JOE BROWN, CHAIR

Placed out of order 5/4/83 (p. 1525)

HOUSE FILE 562

S-3477

Amend amendment S-3461 to House File 562, as amended, passed, and reprinted by the House, as follows:

1. Page 10, by striking lines 28 through 49.
2. By renumbering sections and correcting internal references as necessary.

S-3477 FILED
APRIL 8, 1983

BY ARTHUR GRATIAS
RAY TAYLOR

Placed out of order 5/4 (p. 1525)

HOUSE FILE 562

S-3478

Amend amendment S-3461 to House File 562, as amended, passed, and reprinted by the House, as follows:

1. Page 1, by striking lines 46 and 47.
2. By striking page 9, line 46 through page 10, line 10.
3. By striking page 10, line 50, through page 12, line 16.

4. Page 17, line 10, by striking the figures "279.38, 280A.37,".

5. By renumbering sections and correcting internal references as necessary.

S-3478 FILED
APRIL 8, 1983

BY ARTHUR L. GRATIAS
RAY TAYLOR

Placed out of order 5/4/83 (p. 1525)

HOUSE FILE 562

S-3652

- 1 Amend amendment S-3461 to House File 562, as
 2 amended, passed, and reprinted by the House, as
 3 follows:
- 4 1. Page 1, by striking line 16 and inserting in
 5 lieu thereof the following: "distribution under
 6 section 442.49, and two".
- 7 2. Page 1, by striking lines 31 and 32 and
 8 inserting in lieu thereof the following: "fund-of
 9 the-county paid to the clerk of court who shall remit
 10 the amount to the treasurer of state for distribution
 11 under section 442.49, except".
- 12 3. Page 1, by striking lines 39 through 45 and
 13 inserting in lieu thereof the following:
 14 "Sec. ____ Section 127.20, Code 1983, is amended
 15 to read as follows:
 16 127.20 SALE OF CONVEYANCE. Prior to placing the
 17 conveyance for sale to the general public, the sheriff
 18 shall permit any an owner or lien holder having a
 19 property interest of fifty percent or more in the
 20 conveyance the opportunity to purchase the property
 21 interest forfeited. If such the owner or lien holder
 22 does not exercise his-or-her an option under this
 23 section or if no-such an owner or lien holder exists
 24 does not exist, the conveyance shall be sold at public
 25 auction with the proceeds first being applied to the
 26 owners and lien holders who have not had their property
 27 interest forfeited and then applied to the expenses
 28 of keeping the conveyance and-court-costs, and any
 29 remaining funds shall be conveyed by the clerk of
 30 court to the treasurer of state for distribution under
 31 section 442.49."
- 32 4. Page 8, by striking lines 4 and 5 and inserting
 33 in lieu thereof the following: "to the treasurer
 34 of state for distribution under section 442.49."
- 35 5. Page 8, by striking lines 21 and 22 and
 36 inserting in lieu thereof the following: "treasurer
 37 of state for distribution under section 442.49."
- 38 6. Page 8, by striking line 24 and inserting in
 39 lieu thereof the following: "1983, is amended to
 40 read as follows:
 41 11. Credit funds from the sale of seized
 42 conveyances to-the-school-fund-and-issue-duplicate
 43 receipts-to-the-sheriff-as-provided-in-sections-127-21
 44 and-127-22 to the treasurer of state for distribution
 45 under section 442.49."
- 46 7. Page 9, by striking lines 37 through 45.
 47 8. Page 12, by inserting after line 16 the
 48 following section:
 49 "Sec. 42A. NEW SECTION. 442.49 DISTRIBUTION
 50 OF FINE MONEY. The treasurer of state shall certify

1 to the state comptroller the amounts received from
2 the clerks of the district court under sections 32.2,
3 99.30, 127.20, 302.44, 508.15, 511.7, 515.93, 534.12,
4 535.5, 595.11, 602.55, 644.15, and 666.3. For the
5 school year commencing July 1, 1983 and each succeeding
6 school year, the state comptroller shall remit the
7 amounts certified under this section to the respective
8 county treasurers for the benefit of the temporary
9 school fund in amounts equal to the amounts received
10 by the county treasurers during the school year
11 beginning July 1, 1981. Any amounts certified to
12 the state comptroller under this section for a year
13 that are in excess of the amounts received by the
14 county treasurers during the school year beginning
15 July 1, 1981 shall be deposited in the general fund
16 of the state. If the amounts certified to the state
17 comptroller for a year are less than the amounts
18 received by the county treasurers during the school
19 year beginning July 1, 1981, the state comptroller
20 shall prorate the amounts remitted to the respective
21 county treasurers."

22 9. Page 12, by striking line 26 and inserting
23 in lieu thereof the following: "of state for
24 distribution under section 442.49,".

25 10. Page 12, by striking line 45 and inserting
26 in lieu thereof the following: "for distribution
27 under section 442.49."

28 11. Page 13, by striking line 10 and inserting
29 in lieu thereof the following: "for distribution
30 under section 442.49. Every".

31 12. By striking page 13, line 50 through page
32 14, line 1, and inserting in lieu thereof the
33 following: "~~has-its-principal-place-of-business~~
34 conveyed to the clerk of court and paid to the
35 treasurer of state for distribution under section
36 442.49".

37 13. Page 14, by striking line 24 and inserting
38 in lieu thereof the following: "distribution under
39 section 442.49, for the".

40 14. Page 14, by striking lines 45 through 47 and
41 inserting in lieu thereof the following: "shall
42 ~~forfeit-to-the-school-fund-the-sum~~ pay a penalty of
43 fifty dollars each; but this shall not".

44 15. Page 15, line 1, by inserting after the word
45 "court." the following: "The penalties shall be
46 conveyed by the clerk of court to the treasurer of
47 state for distribution under section 442.49."

48 16. Page 15, by striking line 35 and inserting
49 in lieu thereof the following: "~~in-the-school-fund~~
50 for distribution under section 442.49."

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- 1 17. Page 15, by striking lines 40 and 41 and
2 inserting in lieu thereof the following: "for the
3 ~~benefit-of-the-school fund~~ distribution under section
4 442.49, all other fines and forfeited bail".
5 18. Page 16, by striking lines 26 and 27 and
6 inserting in lieu thereof the following: "~~common~~
7 schools-in-said-county be paid to the clerk of district
8 court who shall pay the money to the treasurer of
9 state for distribution under section 442.49."
10 19. Page 16, by striking line 37 and inserting
11 in lieu thereof the following: "of state for
12 distribution under section 442.49."
13 20. Page 17, by striking line 10 and inserting
14 in lieu thereof the following:
15 "Sec. _____. Sections 127.21, 127.22, 279.38,
16 280A.37,".
17 21. Page 17, line 18, by striking the figure "35"
18 and inserting in lieu thereof the figure "42A".-

S-3652 FILED BY RAY TAYLOR
APRIL 21, 1983

Order of order 5/4/83 (p. 1525)

HOUSE FILE 562

S-3494

Amend amendment S-3461 to House File 562, as amended, passed, and reprinted by the House, as follows:

1. Page 1, by striking line 47 and inserting in lieu thereof the following: "is amended to read as follows:
14. Be authorized to pay, out of funds available to the board reasonable annual dues to ~~an~~ the Iowa association of school boards. Membership shall be limited to those duly elected members of the area education agency board. The financial condition and transactions of the Iowa association of school boards shall be audited in the same manner as area education agencies as provided in section 11.18."

2. Page 2, by inserting after line 39 the following sections:

"Sec. ____ . Section 279.38, unnumbered paragraph 1, Code 1983, is amended to read as follows:

Boards of directors of school corporations may pay, out of funds available to them, reasonable annual dues to ~~an~~ the Iowa association of school boards. The financial condition and transactions of the Iowa association of school boards shall be audited in the same manner as school corporations as provided in section 11.18.

Sec. ____ . Section 280A.37, unnumbered paragraph 1, Code 1983, is amended to read as follows:

Boards of directors of merged area schools may pay, out of funds available to them, reasonable annual dues to ~~an~~ the Iowa association of school boards. The financial condition and transactions of the Iowa association of school boards shall be audited in the same manner as merged area schools as provided in section 11.18."

3. Page 17, by striking line 10 and inserting in lieu thereof the following:

"Sec. ____ . Sections 127.22, 302.3,".

4. By numbering and renumbering sections and correcting internal references as necessary.

S-3494 FILED

BY WALLY E. HORN

APRIL 11, 1983

Placed out of order 5/4/83 (p. 1525)

HOUSE FILE 562

S-3675

Amend the amendment S-3461, filed to House File 562, as amended, passed, and reprinted by the House, as follows:

1. Page 9, line 23, by inserting after the word "year" the words "minus the amount included in district cost per pupil for the budget year".

S-3675 FILED

BY JOE BROWN

APRIL 27, 1983

Placed out of order 5/4 (p. 1525)

S-3787

1 Amend House File 562, as amended, passed, and
2 reprinted by the House, as follows:

3 1. By striking everything after the enacting
4 clause and inserting in lieu thereof the following:

5 "Section 1. Section 32.2, Code 1983, is amended
6 to read as follows:

7 32.2 ACTIONS FOR PENALTY. ~~Sueh~~ The action or
8 suit may be brought by and in the name of the state,
9 on the relation of ~~any a citizen thereof of the state,~~
10 and ~~sueh~~ the penalty, when collected, less the
11 reasonable cost and expense of action or suit and
12 recovery, to be certified by the clerk of the district
13 court of the county in which the offense is committed,
14 shall be paid ~~into-the-county-treasury-for-the-benefit~~
15 ~~of-the-school-fund~~ to the treasurer of state for
16 deposit in the general fund of the state, and two
17 or more penalties may be sued for and recovered in
18 the same action or suit.

19 Sec. 2. Section 99.30, Code 1983, is amended to
20 read as follows:

21 99.30 APPLICATION OF TAX. The ~~said~~ tax collected
22 shall be applied ~~in-payment-of-any~~ toward the
23 deficiency in the payment of costs of the action and
24 ~~abatement on-behalf-of-the-state-to-the-extent-of~~
25 ~~sueh-deficiency~~ which exist after the application
26 ~~thereto~~ of the proceeds of the sale of personal
27 property ~~as-hereinbefore-provided,-and-the.~~ The
28 remainder of ~~said~~ the tax together with the unexpended
29 portion of the proceeds of the sale of personal
30 property shall be ~~distributed-to-the-temporary-school~~
31 ~~fund-of-the-county~~ paid to the treasurer of state
32 for deposit in the general fund of the state, except
33 that ten percent of the amount of the whole tax
34 collected and of the whole proceeds of the sale of
35 ~~said~~ the personal property, as provided in this
36 chapter, shall be paid by the treasurer to the attorney
37 representing the state in the injunction action, at
38 the time of final judgment.

39 Sec. 3. Section 127.21, Code 1983, is amended
40 to read as follows:

41 127.21 SCHOOL-FUND PROCEEDS. Any balance of ~~said~~
42 the proceeds shall be paid by the sheriff to the
43 ~~county-treasurer-who-shall-credit-the-same-to-the~~
44 ~~county-school-fund~~ treasurer of state for deposit
45 in the general fund of the state.

46 Sec. 4. Section 279.33, Code 1983, is amended
47 to read as follows:

48 279.33 ANNUAL SETTLEMENTS. At a regular or special
49 meeting held ~~in-July-prior-to-ex-on-July~~ not later
50 than August 15, the board of each school corporation

1 shall meet, examine the books of and settle with the
2 secretary and treasurer for the year ending on the
3 ~~thirtieth-day-of~~ preceding June preceding 30, and
4 ~~transact such other business as may-properly-come~~
5 ~~before-it necessary~~. The treasurer at the time of
6 ~~such~~ settlement shall furnish the board with a sworn
7 statement from each depository showing the balance
8 then on deposit in ~~such the~~ depository. ~~Should If~~
9 the secretary or treasurer fail to make proper reports
10 for ~~such the~~ settlement, the board shall take action
11 to ~~secure-the-same~~ obtain the balance information.

12 Sec. 5. Section 279.34, Code 1983, is amended
13 to read as follows:

14 279.34 FINANCIAL STATEMENT--PUBLICATION. In each
15 school district, the board shall, during the second
16 week of ~~July~~ August of each year, publish by one
17 insertion in at least one newspaper, if there is a
18 newspaper published in ~~said~~ the district, a summarized
19 statement verified by affidavit of the secretary of
20 the board showing the receipts and disbursements of
21 all funds for the preceding school year. In all ~~such~~
22 districts of more than one hundred twenty-five thousand
23 population, the statement of disbursements is to show
24 the names of the persons, firms, or corporations,
25 and the total amount paid to each during the school
26 year.

27 Sec. 6. Section 279.35, Code 1983, is amended
28 to read as follows:

29 279.35 OTHER DISTRICTS--FILING STATEMENT. In
30 every school district ~~wherein~~ in which no newspaper
31 is published, the president and secretary of the board
32 of directors ~~thereof~~ shall file the ~~above~~ statement
33 required in section 279.34 with the area education
34 agency administrator during the second week of ~~July~~
35 August of each year and shall post copies ~~thereof~~
36 of the statement in three conspicuous places in the
37 district.

38 Sec. 7. Section 279.38, unnumbered paragraph 1,
39 Code 1983, is amended to read as follows:

40 Boards of directors of school corporations may
41 pay, out of funds available to them, reasonable annual
42 dues to ~~an~~ the Iowa association of school boards.
43 The financial condition and transactions of the Iowa
44 association of school boards shall be audited in the
45 same manner as school corporations as provided in
46 section 11.18. In addition, annually the Iowa
47 association of school boards shall publish a listing
48 of the school districts and the annual dues paid by
49 each and shall publish an accounting of all moneys
50 expended for expenses incurred by and salaries paid

1 to legislative representatives and lobbyists of the
2 association.

3 Sec. 8. NEW SECTION. 297.33 LOAN AGREEMENTS.
4 In order to make immediately available proceeds of
5 the schoolhouse tax which has been approved by the
6 voters as provided in section 278.1, subsection 7,
7 the board of directors may, with or without notice,
8 borrow money and enter into loan agreements in anti-
9 cipation of the collection of the tax with a bank,
10 investment banker, trust company, insurance company,
11 or insurance group.

12 By resolution, the board shall provide for an
13 annual levy which is within the limits of the tax
14 approved by the voters to pay for the amount of the
15 principal and interest due each year until maturity.
16 The board shall file a certified copy of the resolution
17 with the auditor of each county in which the district
18 is located. The filing of the resolution with the
19 auditor shall make it the duty of the auditor to
20 annually levy the amount certified for collection
21 until funds are realized to repay the loan and interest
22 on the loan in full.

23 The loan must mature within the period of time
24 authorized by the voters and shall bear interest at
25 a rate which does not exceed the limits provided under
26 chapter 74A. A loan agreement entered into pursuant
27 to this section shall be in a form as the board of
28 directors shall by resolution provide and the loan
29 shall be payable as to both principal and interest
30 from the proceeds of the annual levy of the voted
31 tax pursuant to section 278.1, subsection 7, or so
32 much thereof as will be sufficient to pay the loan
33 and interest on the loan.

34 The proceeds of a loan must be deposited in a fund
35 which is separate from other district funds. Warrants
36 paid from this fund must be for purposes authorized
37 by the voters as provided in section 278.1, subsection
38 7.

39 This section does not limit the authority of the
40 board of directors to levy the full amount of the
41 voted tax, but if and to whatever extent the tax is
42 levied in any year in excess of the amount of principal
43 and interest falling due in that year under a loan
44 agreement, the first available proceeds, to an amount
45 sufficient to meet maturing installments of principal
46 and interest under the loan agreement, shall be paid
47 into the sinking fund for the loan before the taxes
48 are otherwise made available to the school corporation
49 for other school purposes, and the amount required
50 to be annually set aside to pay principal of and

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1 interest on the money borrowed under the loan agreement
2 shall constitute a first charge upon the proceeds
3 of the special voted tax, which tax shall be pledged
4 to pay the loan and the interest on the loan.

5 This section is supplemental and in addition to
6 existing statutory authority to finance the purposes
7 specified in section 278.1, subsection 7, and for
8 the borrowing of money and execution of loan agreements
9 in connection with that section and subsection, and
10 is not subject to any other law. The fact that a
11 school corporation may have previously borrowed money
12 and entered into loan agreements under authority of
13 this section does not prevent the school corporation
14 from borrowing additional money and entering into
15 further loan agreements if the aggregate of the amount
16 payable under all of the loan agreements does not
17 exceed the proceeds of the voted tax.

18 Sec. 9. Section 302.4, Code 1983, is amended to
19 read as follows:

20 302.4 DIVISION AND APPRAISEMENT. The board of
21 supervisors may, ~~at such time as it may fix, and~~ as
22 preliminary to a sale, authorize the trustees of any
23 a township, where the sixteenth section or land
24 selected in lieu thereof of the sixteenth section
25 has not been sold, to lay out the same section into
26 such tracts as in their judgment will be for the best
27 interests of the permanent school fund, conforming,
28 as far as the interests of said the fund will permit,
29 to the legal subdivisions of the United States surveys,
30 and appraise each tract at what they believe to be
31 its true value, and certify to said the board the
32 divisions and appraisements made by them. Said The
33 division and appraisement shall be approved or
34 disapproved by said the board at its first meeting
35 after such the report, and in case it disapproves
36 the same, it may at once order another division and
37 appraisement. If the board of supervisors approves,
38 the county auditor shall make and keep a record of
39 such the division, appraisement, and approval; but
40 no school lands of any kind shall not be sold for
41 less than the appraised value per acre, except as
42 hereinafter provided, nor shall any. A member of
43 the board of supervisors, county auditor, township
44 trustee, or any a person who was engaged in the
45 division and appraisement of said the land, shall
46 not be directly or indirectly interested in the
47 purchase thereof of the land; and any sale made, where
48 such the parties of any of them are so interested
49 have an interest in the land, shall be void.

50 Sec. 10. Section 302.6, Code 1983, is amended

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1 to read as follows:

2 302.6 SALE WITHOUT APPRAISEMENT. When the county
3 board of supervisors ~~of any county~~ has once offered
4 for sale any school lands held under section 302.1
5 in compliance with the requirements of this chapter,
6 and they remain unsold, and it is unable to obtain
7 ~~therefor~~ the appraised value thereof of the lands,
8 and in the opinion of ~~said~~ the board, it is for the
9 best interests of the permanent school fund that the
10 same lands be sold for a less price, it may instruct
11 the auditor to transmit to the secretary of state
12 a certified copy of its proceedings in relation to
13 the order of sale ~~thereof~~ of the land and subsequent
14 proceedings in relation ~~thereto~~ to the sale, including
15 the action of the township trustees, and the price
16 per acre at which the land had been appraised, ~~which~~
17 ~~transcript the.~~ The secretary of state shall submit
18 the transcript of the proceedings to the executive
19 council; and if it approves of a sale at a less sum,
20 it shall certify ~~such~~ the approval to the auditor
21 of the county from which ~~said~~ the transcript came,
22 ~~which.~~ The certificate shall be transcribed recorded
23 in the minute book of the board of supervisors, and
24 ~~thereupon~~ ~~said~~ the land may again be offered and sold
25 to the highest bidder without again being appraised,
26 after notice given as in case of sales in the first
27 ~~instance, without being again appraised.~~

28 Sec. 11. Section 302.8, Code 1983, is amended
29 to read as follows:

30 302.8 SALE OF LANDS BID IN. When lands have been
31 sold and bid in by the state in behalf of the permanent
32 school fund upon a judgment in favor of ~~such~~ the fund,
33 the land may be sold in ~~like~~ the same manner as other
34 school lands, and when lands have been conveyed to
35 the counties in which they are situated for the use
36 of the permanent school fund, instead of to the state,
37 ~~such the conveyance shall be~~ is valid and binding,
38 and upon proper certificates of sales patents shall
39 issue in ~~like~~ the same manner as ~~in cases where if~~
40 the conveyances ~~were~~ had been properly made to the
41 state.

42 Sec. 12. Section 302.9, Code 1983, is amended
43 to read as follows:

44 302.9 CASH OR COLLATERAL SECURITY. When, in the
45 judgment of the board of supervisors, any school lands
46 held under section 302.1 are of such a character that
47 a sale upon partial credit would be unsafe or
48 incompatible with the interest of the permanent school
49 fund, and especially in the case of timbered lands,
50 the board of supervisors may ~~in its discretion exact~~

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1 ~~the whole of~~ require the entire purchase money in
2 advance; or if ~~it~~ the board sells ~~such~~ the land upon
3 a partial credit, ~~as hereinbefore prescribed,~~ it shall
4 require good collateral security for the payment of
5 the part upon which credit is given.

6 Sec. 13. Section 302.10, Code 1983, is amended
7 to read as follows:

8 302.10 UNIFORM INTEREST DATE. ~~in all cases where~~
9 If money is due to the permanent school fund, either
10 for loans or deferred payments of the purchase price
11 of land sold, the interest shall be made payable on
12 the first day of January each year, and if the debtor
13 fails to pay the interest within six months ~~thereafter~~
14 of the date it is due, the entire amount of both
15 principal and interest shall become due, and the
16 county auditor shall ~~make a report thereof~~ the
17 nonpayment to the county attorney, who shall
18 immediately commence action for the collection of
19 the amount reported ~~to him as due, and this.~~ This
20 section is ~~hereby declared to be~~ a part of any a
21 contract made by virtue of this chapter, whether
22 expressed ~~therein~~ in the contract or not.

23 Sec. 14. Section 302.11, Code 1983, is amended
24 to read as follows:

25 302.11 SCHOOL FUND ACCOUNTS--AUDIT OF LOSSES.
26 The state comptroller shall keep the permanent school
27 fund accounts in books provided for that purpose,
28 separate and distinct from the revenue books. The
29 auditor of state shall audit ~~all~~ losses to the
30 permanent school or university fund ~~which shall have~~
31 ~~been occasioned~~ caused by the defalcation,
32 mismanagement, or fraud of the agents or officers
33 controlling and managing ~~the same, and for this purpose~~
34 the fund. The auditor of state shall ~~prescribe such~~
35 regulations adopt rules for those officers as may
36 be necessary to ascertain ~~such~~ the losses.

37 Sec. 15. Section 302.15, Code 1983, is amended
38 to read as follows:

39 302.15 MANAGEMENT. ~~All property~~ Property and
40 money ~~hereafter~~ accrued to the permanent school fund
41 shall be managed and controlled by the state treasurer
42 of state, and he shall be the treasurer of state is
43 responsible for the safekeeping, investment,
44 reinvestment and disbursement of the same property
45 and money.

46 Sec. 16. Section 302.16, Code 1983, is amended
47 to read as follows:

48 302.16 ACTIONS. ~~All actions~~ Actions for and in
49 behalf of ~~said~~ the fund may be brought in the name
50 of the state for the use of the permanent school fund,

1 by the attorney general.
2 Sec. 17. Section 302.17, Code 1983, is amended
3 to read as follows:
4 302.17 LIABILITY OF COUNTY. Each county shall
5 be is liable for all losses upon loans of the permanent
6 school fund, principal or interest, made in such the
7 county, unless the loss was not occasioned by reason
8 of any a default of its officers or by taking
9 insufficient or imperfect securities, or from a failure
10 to bid at an execution sale the full amount of the
11 judgment and costs.

12 Sec. 18. Section 302.19, Code 1983, is amended
13 to read as follows:

14 302.19 LOANS. The permanent school fund shall
15 be loaned out or invested by the state treasurer of
16 state as it comes into his the treasurer's hands.

17 Sec. 19. Section 302.28, Code 1983, is amended
18 to read as follows:

19 302.28 STATUTE OF LIMITATION. Lapse of time shall
20 ~~in-no-case-be~~ is not a bar to any action to recover
21 any a part of the permanent school fund, ~~nor shall~~
22 and it does not prevent the introduction of evidence
23 in such an action, except as provided in sections
24 614.29 to 614.38.

25 Sec. 20. Section 302.29, Code 1983, is amended
26 to read as follows:

27 302.29 PAYMENTS. ~~All-payments~~ Payments to the
28 permanent school fund upon contracts, or loans of
29 ~~any-other~~ another nature, shall be made to the
30 treasurer of the county upon a certificate from the
31 auditor showing the amount due.

32 Sec. 21. Section 302.31, Code 1983, is amended
33 to read as follows:

34 302.31 SCHOOL FUND ACCOUNT--SETTLEMENT. The
35 auditor shall also keep ~~in-his-office~~, in books to
36 be provided for that purpose, an account to be known
37 as the permanent school fund account, in which a
38 memorandum of ~~all~~ the notes, mortgages, bonds, money,
39 and assets ~~of-every-kind-and-description~~ which may
40 come into ~~his~~ the auditor's hands and those of the
41 treasurer shall be entered, and separate accounts
42 of principal and interest be kept, ~~and the~~. The
43 county treasurer shall also keep a ~~like~~ an account
44 and record of all school funds coming into ~~his~~ the
45 county treasurer's hands. Settlements of such the
46 account shall be made with the board of supervisors
47 at its January and June sessions, ~~which~~ and the
48 settlements shall be recorded with the proceedings
49 of the board.

50 Sec. 22. Section 302.32, Code 1983, is amended

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1 to read as follows:

2 302.32 NOTICE OF DEFAULT. When outstanding
3 contracts for the sale of school lands or notes for
4 money of the permanent school fund loaned, or interest
5 ~~thereon on the permanent school fund~~, are due, the
6 auditor shall by mail at once notify the debtor to
7 make payment thereof within three months.

8 Sec. 23. Section 302.34, Code 1983, is amended
9 to read as follows:

10 302.34 BID AT EXECUTION SALE. Upon a sale of
11 lands under an execution founded upon a permanent
12 school fund claim or right, the auditor shall bid
13 such a sum as required by the interests of the fund
14 ~~require~~, and, if struck off to the state, it shall
15 be thereafter treated ~~in-all-respects~~ the same as
16 other lands belonging to said the fund.

17 Sec. 24. Section 302.35, Code 1983, is amended
18 to read as follows:

19 302.35 SHERIFF'S DEED TO STATE. When lands have
20 been bid in by the county for the state under
21 foreclosure of permanent school fund mortgages and
22 the time for redemption has expired, a sheriff's deed
23 shall be issued to the state for the use and benefit
24 of the permanent school fund. The county auditor
25 shall file the said deed for record in the office
26 of the county recorder who shall record the same deed
27 without fee and return ~~the-same~~ it when recorded to
28 the county auditor who shall then forward ~~the-same~~
29 it to the secretary of state. The secretary of state
30 shall record the said deed in-his-records and then
31 file ~~the-same~~ it with the state comptroller.

32 Sec. 25. Section 302.38, Code 1983, is amended
33 to read as follows:

34 302.38 EXCESS--LOSS BORNE BY COUNTY. Any An
35 excess over the amount of the unpaid portion of the
36 principal, costs of foreclosure, and interest on the
37 principal ~~as-above-provided~~, shall inure to the county
38 and be credited to the general county fund. If the
39 lands ~~shall-be~~ are sold for a less amount than the
40 unpaid portion of the principal, the loss shall be
41 sustained by the county, and the board of supervisors
42 shall at once order the amount of ~~such the~~ the loss
43 transferred from the general fund ~~ex-temporary-see~~
44 ~~fund~~ of the county to the permanent school fund
45 account.

46 Sec. 26. Section 302.39, Code 1983, is amended
47 to read as follows:

48 302.39 REPORT AS TO SALES--INTEREST. County
49 auditors shall report, on or before ~~the-first-day~~
50 of January 1 of each year, ~~report~~ to the state

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1 comptroller the amount of ~~all~~ the sales and resales
2 made during the ~~year~~ previous year, of the sixteenth
3 section, five-hundred-thousand-acre grant, escheat
4 estates, and lands taken under foreclosure of permanent
5 school fund mortgages, and the state comptroller shall
6 charge ~~the same~~ them to the counties with interest
7 from the date of such sale or resale to January 1,
8 at the rate of three percent per annum.

9 Sec. 27. Section 302.42, Code 1983, is amended
10 to read as follows:

11 302.42 REPORT AS TO RENTS. County By January
12 1 of each year, county auditors shall, ~~upon the first~~
13 ~~day of January of each year,~~ report to the state
14 comptroller the amount of rents collected during the
15 preceding year on unsold school lands and lands taken
16 under foreclosure of permanent school fund mortgages
17 then in the hands of the county treasurer, and the
18 state comptroller shall include the amount so reported
19 ~~in his~~ the semiannual apportionment of interest.

20 Sec. 28. Section 302.44, Code 1983, is amended
21 to read as follows:

22 302.44 PENALTY AGAINST COUNTY AUDITOR. Any A
23 county auditor failing or neglecting to perform any
24 ~~of the required~~ duties which are required of him by
25 ~~the provisions of~~ under this chapter, shall ~~be~~ is
26 liable to a penalty of not less than one hundred nor
27 more than five hundred dollars, to be recovered in
28 an action brought in the district court by the board
29 of supervisors, ~~the~~. The judgment to shall be entered
30 against the party and ~~his~~ the party's bondsmen, and
31 the proceeds ~~to go to the school fund~~ shall be paid
32 to the treasurer of state for deposit in the general
33 fund of the state.

34 Sec. 29. Section 331.502, subsection 50, Code
35 1983, is amended to read as follows:

36 50. ~~In the case of~~ For payment of a permanent
37 school fund mortgage, acknowledge satisfaction of
38 the mortgage by execution of a written instrument
39 referring to the mortgage as provided in section
40 655.1.

41 Sec. 30. Section 331.509, subsection 1, paragraph
42 o, Code 1983, is amended to read as follows:

43 o. The reports of magistrates and other officers,
44 including forfeited recognizances in their offices,
45 fines, penalties, forfeitures imposed in their
46 respective courts, and forfeited appearance bonds
47 in criminal cases, all of which are payable to the
48 ~~county treasury for the benefit of the school fund~~
49 treasurer of state to be deposited in the general
50 fund of the state.

1 Sec. 31. Section 331.552, subsection 11, Code
2 1983, is amended by striking the subsection.

3 Sec. 32. Section 331.552, subsection 20, Code
4 1983, is amended to read as follows:

5 20. Maintain a permanent school fund account and
6 records of school funds received as provided in section
7 302.31.

8 Sec. 33. Section 360.3, Code 1983, is amended
9 to read as follows:

10 360.3 TRANSFER OF FUND. When there are funds
11 in the hands of any a township clerk, raised under
12 ~~the provisions of~~ this chapter which are not desired
13 for the purposes for which they were raised, the funds
14 may be transferred to the ~~school~~ general fund of any
15 a school district or districts pro rata ~~wherein same~~
16 was in which the funds were raised, when a petition
17 is presented to the trustees, signed by a majority
18 of the qualified electors of ~~said~~ the township, as
19 shown by the election register or registers of the
20 last preceding primary or general election held in
21 ~~said~~ the township, ~~said~~. The transfer of funds ~~to~~
22 shall be made by the township clerk upon order of
23 the trustees after the filing of said the petition
24 with ~~said~~ the clerk.

25 Sec. 34. Section 442.3, Code 1983, is amended
26 to read as follows:

27 442.3 STATE FOUNDATION BASE. The state foundation
28 base for the school year beginning July 1, 1972, is
29 seventy percent of the state cost per pupil. ~~For~~
30 Except as otherwise provided in this section, for
31 each succeeding school year the state foundation base
32 shall be increased by the amount of one percent of
33 the state cost per pupil, up to a maximum of eighty
34 percent of the state cost per pupil. However, for
35 the school years beginning July 1, 1980, July 1, 1981,
36 and July 1, 1982, the state foundation base shall
37 be the same as the state foundation base for the
38 school year beginning July 1, 1979. For the school
39 year beginning July 1, 1984, the state foundation
40 base is eighty percent of the state cost per pupil
41 if the estimate of the ending fund balance of the
42 state general fund for the fiscal year beginning July
43 1, 1984 and ending June 30, 1985, as estimated by
44 the state comptroller in January, 1984, is equal to
45 or greater than thirty million dollars. The district
46 foundation base is the larger of the state foundation
47 base or the amount per pupil which the district will
48 receive from foundation property tax and state school
49 foundation aid.

50 Sec. 35. Section 442.4, Code 1983, is amended

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1 by adding the following new subsection after subsection
2 3.

3 NEW SUBSECTION. 3A. For the school year beginning
4 July 1, 1984 and each subsequent school year, if a
5 school district's basic enrollment for the budget
6 year is larger than its budget enrollment for the
7 budget year, the district shall use its basic
8 enrollment for the budget year in lieu of its budget
9 enrollment for the budget year for computations
10 required in this chapter.

11 Sec. 36. Section 442.4, subsection 4, Code 1983,
12 is amended by striking the subsection and inserting
13 in lieu thereof the following:

14 4. For the school year beginning July 1, 1984
15 and each succeeding school year, if an amount equal
16 to the district cost per pupil for the budget year
17 minus the amount included in the district cost per
18 pupil for the budget year to compensate for the cost
19 of special education support services for a school
20 district for the budget year times the budget
21 enrollment of the school district for the budget year
22 is less than one hundred two percent times an amount
23 equal to the district cost per pupil for the base
24 year minus the amount included in the district cost
25 per pupil for the base year to compensate for the
26 cost of special education support services for a
27 school district for the base year times the budget
28 enrollment for the school district for the base year,
29 the state comptroller shall increase the budget
30 enrollment for the school district for the budget
31 year to a number which will provide that one hundred
32 two percent amount.

33 Sec. 37. Section 442.7, subsection 5, Code 1983,
34 is amended by striking the subsection and inserting
35 in lieu thereof the following:

36 5. Notwithstanding subsections 1 through 4, for
37 the school year beginning July 1, 1984, if the estimate
38 of the ending fund balance of the state general fund
39 for the fiscal year beginning July 1, 1984 and ending
40 June 30, 1985, as estimated by the state comptroller
41 in January, 1984, is equal to or greater than thirty
42 million dollars and the state foundation base increases
43 to eighty percent pursuant to section 442.3, the state
44 percent of growth, including the recomputations
45 required under subsection 4, is six percent.

46 Sec. 38. Section 442.7, subsection 7, Code 1983,
47 is amended by adding the following new paragraph:

48 NEW PARAGRAPH. For the budget school year beginning
49 July 1, 1984, by adding to the basic allowable growth
50 per pupil for the budget year an amount not to exceed

1 the amount of moneys received by a school district
2 under section 302.3 during the school year beginning
3 July 1, 1982 and ending June 30, 1983, as certified
4 by the board of directors to the state comptroller.

5 Sec. 39. Section 442.9, subsection 1, paragraph
6 a, Code 1983, is amended to read as follows:

7 a. As used in this chapter, "district cost per
8 pupil" for the school year beginning July 1, 1975,
9 and subsequent school years means district cost per
10 pupil in weighted enrollment. The district cost per
11 pupil for the budget year is equal to the district
12 cost per pupil for the base year plus the allowable
13 growth. However, district cost per pupil does not
14 include additional allowable growth added for programs
15 for gifted and talented children and for programs
16 for returning dropouts under this chapter and does
17 not include additional allowable growth established
18 by the school budget review committee for a single
19 school year only.

20 Sec. 40. Section 442.26, unnumbered paragraph
21 2, Code 1983, is amended by striking the unnumbered
22 paragraph and inserting in lieu thereof the following:

23 All state aids paid under this chapter, unless
24 otherwise stated, shall be paid in monthly installments
25 beginning on September 15 of a budget year and ending
26 on June 15 of the budget year and the installments
27 shall be as nearly equal as possible as determined
28 by the state comptroller, taking into consideration
29 the relative budget and cash position of the state
30 resources. However, the state aids paid to school
31 districts under section 442.28 shall be paid in monthly
32 installments beginning on December 15 and ending on
33 June 15 of a budget year and state aids paid to school
34 districts under section 442.38 shall be paid in monthly
35 installments beginning on February 15 and ending on
36 June 15 of a budget year.

37 Sec. 41. Section 442.39, unnumbered paragraph
38 1, Code 1983, is amended to read as follows:

39 In order to provide additional funds for school
40 districts which send their resident pupils to another
41 school district or to an area school for classes,
42 which jointly employ and share the services of teachers
43 under section 280.15, or which use the services of
44 a teacher employed by another school district, a
45 supplementary weighting plan for determining enroll-
46 ment is adopted as follows:

47 Sec. 42. Section 442.39, subsection 2, Code 1983,
48 is amended to read as follows:

49 2. Pupils attending classes in another school
50 district or an area school, attending classes taught

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1 by a teacher who is employed jointly under section
2 280.15, or attending classes taught by a teacher who
3 is employed by another school district, are assigned
4 a weighting of one plus one-tenth times the percent
5 of the pupil's school day during which the pupil
6 attends classes in another district or area school,
7 attends classes taught by a teacher who is jointly
8 employed under section 280.15, or attends classes
9 taught by a teacher who is employed by another school
10 district.

11 Sec. 43. NEW SECTION. 442.45 PROGRAMS FOR
12 RETURNING DROPOUTS. For the school year beginning
13 July 1, 1984 and succeeding school years, boards of
14 school districts, individually or jointly with boards
15 of other school districts, requesting to use additional
16 allowable growth for programs for returning dropouts,
17 may annually submit comprehensive program plans for
18 the programs and budget costs, including requests
19 for additional allowable growth for funding the
20 programs, to the department of public instruction
21 as provided in this chapter. In addition to the
22 requirements for program plans listed in section
23 442.32, the program plans shall include:

24 1. A provision for dropout prevention and
25 integration of dropouts into the educational program
26 of the district.

27 2. A provision for identifying dropouts.

28 3. A program for returning dropouts.

29 Program plans for dropouts shall identify the parts
30 of the plan that will be implemented first upon
31 approval of the application. If a district is
32 requesting to use additional allowable growth to
33 finance the program, it shall not identify more than
34 five percent of its budget enrollment for the budget
35 year as returning dropouts.

36 Sec. 44. NEW SECTION. 442.46 DEFINED. "Returning
37 dropouts" are resident pupils who have been enrolled
38 in a public or nonpublic school in any of grades seven
39 through twelve who withdrew from school for a reason
40 other than transfer to another school or school
41 district and who subsequently enrolled in public
42 school in the district.

43 Sec. 45. NEW SECTION. 442.47 PLANS FOR RETURNING
44 DROPOUTS. The board of directors of a school district
45 requesting to use additional allowable growth for
46 programs for returning dropouts shall submit
47 applications for approval for the programs to the
48 department not later than November 1 preceding the
49 fiscal year during which the program will be offered.
50 The department shall review the program plans and

1 shall prior to January 15 either grant approval for
2 the program or return the request for approval with
3 comments of the department included. An unapproved
4 request for a program may be resubmitted with
5 modifications to the department not later than February
6 1. Not later than February 15, the department shall
7 notify the state comptroller and the school budget
8 review committee of the names of the school districts
9 for which the programs using additional allowable
10 growth for funding have been approved and the approved
11 budget of each program listed separately for each
12 school district having an approved program.

13 Sec. 46. NEW SECTION. 442.48 FUNDING FOR PROGRAMS
14 FOR RETURNING DROPOUTS. The budget of an approved
15 program for returning dropouts for a school district,
16 after subtracting funds received from other sources
17 for that purpose, shall be funded annually on a basis
18 of one-fourth or more from the district cost of the
19 school district and up to three-fourths by an increase
20 in allowable growth as defined in section 442.7.
21 Annually, the state comptroller shall establish a
22 modified allowable growth for each such district equal
23 to the difference between the approved budget for
24 the program for returning dropouts for that district
25 and the sum of the amount funded from the district
26 cost of the school district plus funds received from
27 other sources.

28 Sec. 47. Section 508.15, Code 1983, is amended
29 to read as follows:

30 508.15 VIOLATION BY FOREIGN COMPANY. Companies
31 organized and chartered by the laws of a foreign state
32 or country, failing to file the evidence of investment
33 and statement within the time fixed, shall forfeit
34 and pay the sum of three hundred dollars, to be
35 collected in an action in the name of the state ~~for~~
36 the-use-of-the-school-fund and paid to the treasurer
37 of state for deposit in the general fund of the state,
38 and their right to transact further new business in
39 this state shall immediately cease until the
40 requirements of this chapter have been fully complied
41 with.

42 Sec. 48. Section 511.7, Code 1983, is amended
43 to read as follows:

44 511.7 RECOVERY OF PENALTIES. Actions brought
45 to recover any of the penalties provided for in this
46 chapter shall be instituted in the name of the state
47 by the county attorney of the county, under the
48 direction and authority of the commissioner of
49 insurance, and may be brought in the district court
50 of any county in which the company or association

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1 proceeded against is engaged in the transaction of
2 business, or in which the offending person resides,
3 if it is against him the person. The penalties, when
4 recovered, shall be paid ~~into the state treasury for~~
5 ~~the use of the school fund~~ to the treasurer of state
6 for deposit in the general fund of the state.

7 Sec. 49. Section 515.93, Code 1983, is amended
8 to read as follows:

9 515.93 VIOLATIONS. Any A violation of the
10 ~~provisions of~~ sections 515.91 and 515.92 shall for
11 the first offense subject the company, association,
12 or individual guilty thereof to a penalty of five
13 hundred dollars, to be recovered in the name of the
14 state, with costs, in an action instituted by the
15 county attorney, either in the county in which the
16 company, association, or individual is located or
17 transacts business, or in the county where the offense
18 is committed, and ~~such~~ the penalty, when recovered,
19 shall be paid ~~into the school fund of the county in~~
20 ~~which action is brought~~ to the treasurer of state
21 for deposit in the general fund of the state. Every
22 subsequent violation of ~~said the~~ sections shall ~~subject~~
23 subjects the company, association, or individual to
24 a penalty of one thousand dollars, to be sued for,
25 recovered, and disposed of in like manner.

26 Sec. 50. Section 534.12, subsection 4, Code 1983,
27 is amended to read as follows:

28 4. REDEMPTION. ~~At any time when~~ funds are on
29 hand for the purpose, the association shall ~~have the~~
30 ~~right to~~ may redeem by lot or otherwise, as the board
31 of directors ~~may determine~~ determines, all or any
32 part of any of its savings accounts on a dividend
33 date by giving thirty days' notice by registered mail
34 addressed to the account holders at their last
35 addresses recorded on the books of the association.
36 An association shall not redeem ~~any of~~ its share
37 accounts when the association is in an impaired
38 condition or when it has applications for withdrawal
39 which have been on file more than thirty days and
40 have not been reached for payment. The redemption
41 price of a savings account shall be the full value
42 of the account redeemed, as determined by the board
43 of directors, but ~~in no event shall~~ the redemption
44 value shall not be less than the withdrawal value.
45 If the notice of redemption has been given, and if
46 on or before the redemption date the funds necessary
47 for the redemption have been set aside ~~so as to be~~
48 ~~and continue to be available~~ for redemptions, dividends
49 upon the accounts called for redemption shall cease
50 to accrue from and after the dividend date specified

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1 as the redemption date, and all rights with respect
2 to those accounts shall terminate as of the redemption
3 date, subject only to the right of the account holder
4 of record to receive the redemption value without
5 interest. ~~All-savings~~ Savings accounts which have
6 been validly called for redemption must be tendered
7 for payment within ten years from the date of
8 redemption designated in the redemption notice, or
9 they shall be canceled and ~~forfeited-for-the-use-of~~
10 ~~the-school-fund-of-the-county-in-which-the-association~~
11 ~~has-its-principal-place-of-business~~ paid to the
12 treasurer of state for deposit in the general fund
13 of the state and all claims of the account holders
14 against the association shall ~~be~~ are barred forever.
15 Redemption shall not be made of any savings accounts
16 which are held by a person who is a director and which
17 are necessary to qualify the person to act as director.

18 Sec. 51. Section 535.5, Code 1983, is amended
19 to read as follows:

20 535.5 PENALTY FOR USURY. If it shall ~~be~~ is
21 ascertained in any an action brought on any a contract
22 that a rate of interest has been contracted for,
23 directly or indirectly, in money or in property,
24 greater than is authorized by this chapter, the same
25 rate shall work a forfeiture of eight cents on the
26 hundred by the year upon the amount of the principal
27 remaining unpaid upon such the contract at the time
28 judgment is rendered ~~thereon~~, and the court shall
29 enter final judgment in favor of the plaintiff and
30 against the defendant for the principal sum ~~so~~
31 remaining unpaid without costs, and also against the
32 defendant and in favor of the state, ~~for-the-use-of~~
33 ~~the-school-fund-of-the-county-in-which-the-action~~
34 is-brought to be paid to the treasurer of state for
35 deposit in the general fund of the state, for the
36 amount of the forfeiture, ~~and-in-no-case-where.~~ If
37 unlawful interest is contracted for shall the plaintiff
38 shall not have judgment for more than the principal
39 sum, whether the unlawful interest be is incorporated
40 with the principal or not.

41 Sec. 52. Section 586.1, subsection 4, Code 1983,
42 is amended to read as follows:

43 4. Acknowledgments of deeds, mortgages, permanent
44 school fund mortgages and contracts taken and certified
45 before 1970 by any county auditor, deputy county
46 auditor, or deputy clerk of the district court although
47 such officer was not authorized to take such the
48 acknowledgments at the time they were taken.

49 Sec. 53. Section 595.11, Code 1983, is amended
50 to read as follows:

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1 595.11 NONSTATUTORY SOLEMNIZATION--FORFEITURE.
2 Marriages solemnized, with the consent of parties,
3 in any ~~ether~~ manner other than as-herein that
4 prescribed in this chapter, are valid; but the parties
5 ~~thereto~~, and all persons aiding or abetting them,
6 shall ~~forfeit-to-the-school~~ pay to the treasurer of
7 state for deposit in the general fund of the state
8 the sum of fifty dollars each; but this shall not
9 apply to the person conducting the marriage ceremony,
10 if within fifteen days thereafter ~~he~~ the person makes
11 the required return to the clerk of the district
12 court.

13 Sec. 54. Section 602.55, Code 1983, is amended
14 to read as follows:

15 602.55 FUNDS, REPORTS. Each month each judicial
16 magistrate and district associate judge shall file
17 with the clerk of the district court of the proper
18 county a sworn, itemized statement of all cases
19 disposed of and all funds received and disbursed per
20 case, and at least monthly shall remit to the clerk
21 all funds received. The clerk shall provide adequate
22 clerical assistance to judicial magistrates and
23 district associate judges to carry out this section.
24 The clerk shall remit ninety percent of all fines
25 and forfeited bail received from a magistrate or
26 district associate judge to the city that was the
27 plaintiff in any action, shall remit to the city
28 ninety percent of all fines and forfeited bail received
29 for improper use of handicapped parking spaces in
30 violation of section 601E.6, subsection 2, when the
31 violations occurred within the city, shall remit all
32 fines and forfeited bail received from a magistrate
33 or district associate judge for violation of a county
34 ordinance except an ordinance relating to vehicle
35 speed or weight restrictions, to the county treasurer
36 of the county that was the plaintiff in any action
37 for deposit in the general fund of the county, and
38 shall provide that city or county with a statement
39 showing the total number of the cases, the total of
40 all fines and forfeited bail collected and the total
41 of all cases dismissed. However, if a county ordinance
42 provides a penalty for a violation which is also
43 penalized under state law, all fines and forfeited
44 bail collected for the violation of that ordinance
45 shall be ~~deposited~~ paid to the treasurer of state
46 for deposit in the school general fund of the state.
47 The clerk shall remit the remaining ten percent of
48 city fines and forfeited bail to the county treasurer
49 for deposit in the county general fund. The clerk
50 shall remit to the treasurer of ~~the-county~~ state,

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1 ~~for the benefit of the school~~ deposit in the general
2 fund of the state, all other fines and forfeited bail
3 received from a magistrate. All fees and costs for
4 the filing of a complaint or information or upon
5 forfeiture of bail received from a magistrate shall
6 be remitted monthly by the clerk as follows:

7 1. One-half to the treasurer of state to be
8 credited to the general fund of the state.

9 2. One-third to the county treasurer to be credited
10 to the general fund of the county.

11 3. One-sixth to the treasurer of state to be
12 credited to the judicial retirement fund created in
13 section 605A.4.

14 Sec. 55. Section 633.545, Code 1983, is amended
15 to read as follows:

16 633.545 SALE--PROCEEDS. If within six months
17 from the giving of such notice, ~~no~~ a claimant thereof
18 ~~appears, such does not appear,~~ the property may be
19 sold and the proceeds paid over by the personal
20 representative to the state comptroller for the benefit
21 of the permanent school fund.

22 Sec. 56. Section 644.15, Code 1983, is amended
23 to read as follows:

24 644.15 PROCEEDS--FORFEITURE. The net proceeds
25 of ~~all~~ sales made by the sheriff, and ~~all~~ money or
26 bank notes paid over to the county treasurer, as
27 directed in this chapter, shall remain in the hands
28 of the county treasurer in trust for the owner, if
29 ~~any such shall apply~~ the owner applies within one
30 year from the time the ~~same shall~~ proceeds, moneys,
31 or bank notes would have been paid over, but,
32 However, if no owner shall appear appears within such
33 that time, the money proceeds, moneys, or bank notes
34 shall be forfeited, and the claim of the owner thereto
35 is forever barred, in which event the money shall
36 remain in the county treasury for the use of the
37 common schools in said county be paid to the treasurer
38 of state for deposit in the general fund of the state.

39 Sec. 57. Section 666.3, Code 1983, is amended
40 to read as follows:

41 666.3 FINES AND FORFEITURES. ~~All fines~~ Fines
42 and forfeitures, after deducting ~~therefrom~~ court
43 costs, court expenses collectible through the clerk
44 of the court, and fees of collection, if any, and
45 not otherwise disposed of, shall ~~go into the treasury~~
46 ~~of the county where the same are collected for the~~
47 benefit of the school fund be paid to the treasurer
48 of state for deposit in the general fund of the state.

49 Sec. 58. Section 666.6, unnumbered paragraph 1,
50 Code 1983, is amended to read as follows:

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1 The Not later than January 15 of each year, the
2 clerk of district court shall make an annual report
3 in writing to the board of supervisors at the first
4 regular meeting of the board in January treasurer
5 of state of all forfeited recognizances in the clerk's
6 office; of all fines, penalties, and forfeitures
7 imposed in the district court, which by law go into
8 the county treasury for the benefit of the school
9 fund are paid to the treasurer of state for deposit
10 in the general fund of the state; in what cause or
11 proceeding, when and for what purpose, against whom
12 and for what amount, rendered; whether the fines,
13 penalties, forfeitures, and recognizances have been
14 paid, remitted, canceled, or otherwise satisfied;
15 if so, when, how, and in what manner, and if not paid,
16 remitted, canceled, or otherwise satisfied, what steps
17 have been taken to enforce the collection of the
18 fines, penalties, forfeitures and recognizances.
19 However, the report shall only contain information
20 not already reported on a monthly basis.

21 Sec. 59. Sections 127.22, 302.3, and 302.24, Code
22 1983, are repealed.

23 Sec. 60. Sections 4 through 8 and section 40 of
24 this Act take effect July 1, 1983. The remaining
25 sections of this Act take effect July 1, 1983 for
26 computations required for payment of state aid and
27 levying of property taxes under the state school
28 foundation program for the school year beginning July
29 1, 1984."

S-3787 FILED & ADOPTED
MAY 4, 1983 (p. 1525)

BY JOE BROWN
ARTHUR L. GRATIAS

S-3695

1 Amend amendment S-3461 to House File 562, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, by striking line 16 and inserting in
5 lieu thereof the following: "distribution under
6 section 442.49, and two".

7 2. Page 1, by striking lines 31 and 32 and
8 inserting in lieu thereof the following: "fund-of
9 the-county paid to the clerk of court who shall remit
10 the amount to the treasurer of state for distribution
11 under section 442.49, except".

12 3. Page 1, by striking lines 39 through 45 and
13 inserting in lieu thereof the following:
14 "Sec. ____ Section 127.20, Code 1983, is amended
15 to read as follows:

16 127.20 SALE OF CONVEYANCE. Prior to placing the
17 conveyance for sale to the general public, the sheriff
18 shall permit any an owner or lien holder having a
19 property interest of fifty percent or more in the
20 conveyance the opportunity to purchase the property
21 interest forfeited. If such the owner or lien holder
22 does not exercise his-or-her an option under this
23 section or if no-such an owner or lien holder exists
24 does not exist, the conveyance shall be sold at public
25 auction with the proceeds first being applied to the
26 owners and lien holders who have not had their property
27 interest forfeited and then applied to the expenses
28 of keeping the conveyance and-court-costs, and any
29 remaining funds shall be conveyed by the clerk of
30 court to the treasurer of state for distribution under
31 section 442.49."

32 4. Page 8, by striking lines 4 and 5 and inserting
33 in lieu thereof the following: "to the treasurer
34 of state for distribution under section 442.49."

35 5. Page 8, by striking lines 21 and 22 and
36 inserting in lieu thereof the following: "treasurer
37 of state for distribution under section 442.49."

38 6. Page 8, by striking line 24 and inserting in
39 lieu thereof the following: "1983, is amended to
40 read as follows:

41 11. Credit funds from the sale of seized
42 conveyances ~~to-the-school-fund-and-issue-duplicate~~
43 ~~receipts-to-the-sheriff-as-provided-in-sections-127-21~~
44 ~~and-127-22~~ to the treasurer of state for distribution
45 under section 442.49."

46 7. Page 9, by striking lines 37 through 45.

47 8. Page 12, by inserting after line 16 the
48 following section:

49 "Sec. 42A. NEW SECTION. 442.49 DISTRIBUTION
50 OF FINE MONEY. The treasurer of state shall certify

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1 to the state comptroller the amounts received from
2 the clerks of the district court under sections 32.2,
3 99.30, 127.20, 302.44, 508.15, 511.7, 515.93, 534.12,
4 535.5, 595.11, 602.55, 644.15, and 666.3. Amounts
5 certified to the state comptroller under this section
6 that are in excess of the following specified
7 percentages of the amounts received by the county
8 treasurers during the school year beginning July 1,
9 1981 shall be deposited in the general fund of the
10 state:

11 1. For the school year commencing July 1, 1983,
12 one hundred percent.

13 2. For the school year commencing July 1, 1984,
14 eighty percent.

15 3. For the school year commencing July 1, 1985,
16 sixty percent.

17 4. For the school year commencing July 1, 1986,
18 forty percent.

19 5. For the school year commencing July 1, 1987,
20 twenty percent.

21 For the school year commencing July 1, 1988 and
22 each succeeding school year, the amounts certified
23 to the state comptroller under this section shall
24 be deposited in the general fund of the state. If
25 the amounts certified to the state comptroller for
26 a year are less than the amounts designated to be
27 received by the county treasurers pursuant to the
28 percents specified in this section, the state
29 comptroller shall prorate the amounts remitted to
30 the respective county treasurers."

31 9. Page 12, by striking line 26 and inserting
32 in lieu thereof the following: "of state for
33 distribution under section 442.49,".

34 10. Page 12, by striking line 45 and inserting
35 in lieu thereof the following: "for distribution
36 under section 442.49."

37 11. Page 13, by striking line 10 and inserting
38 in lieu thereof the following: "for distribution
39 under section 442.49. Every".

40 12. By striking page 13, line 50 through page
41 14, line 1, and inserting in lieu thereof the
42 following: "has-its-principal-place-of-business
43 conveyed to the clerk of court and paid to the
44 treasurer of state for distribution under section
45 442.49".

46 13. Page 14, by striking line 24 and inserting
47 in lieu thereof the following: "distribution under
48 section 442.49, for the".

49 14. Page 14, by striking lines 45 through 47 and
50 inserting in lieu thereof the following: "shall

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- 1 ~~forfeit-to-the-school-fund-the-sum~~ pay a penalty of
2 fifty dollars each; but this shall not".
3 15. Page 15, line 1, by inserting after the word
4 "court." the following: "The penalties shall be
5 conveyed by the clerk of court to the treasurer of
6 state for distribution under section 442.49."
7 16. Page 15, by striking line 35 and inserting
8 in lieu thereof the following: "~~in-the-school-fund~~
9 for distribution under section 442.49."
10 17. Page 15, by striking lines 40 and 41 and
11 inserting in lieu thereof the following: "for the
12 ~~benefit-of-the-school-fund~~ distribution under section
13 442.49, all other fines and forfeited bail".
14 18. Page 16, by striking lines 26 and 27 and
15 inserting in lieu thereof the following: "~~common~~
16 ~~schools-in-said-county~~ be paid to the clerk of district
17 court who shall pay the money to the treasurer of
18 state for distribution under section 442.49."
19 19. Page 16, by striking line 37 and inserting
20 in lieu thereof the following: "of state for
21 distribution under section 442.49."
22 20. Page 17, by striking line 10 and inserting
23 in lieu thereof the following:
24 "Sec. ____ Sections 127.21, 127.22, 279.38,
25 280A.37,".
26 21. Page 17, line 18, by striking the figure "35"
27 and inserting in lieu thereof the figure "42A".

S-3695 FILED
APRIL 28, 1983

BY RAY TAYLOR

Out of order 5/4/83 (p. 1526)

SENATE AMENDMENT TO HOUSE FILE 562

H-4014

1 Amend House File 562, as amended, passed, and
2 reprinted by the House, as follows:

3 1. By striking everything after the enacting
4 clause and inserting in lieu thereof the following:
5 "Section 1. Section 32.2, Code 1983, is amended
6 to read as follows:

7 32.2 ACTIONS FOR PENALTY. ~~Sueh~~ The action or
8 suit may be brought by and in the name of the state,
9 on the relation of any a citizen thereof of the state,
10 and ~~sueh~~ the penalty, when collected, less the
11 reasonable cost and expense of action or suit and
12 recovery, to be certified by the clerk of the district
13 court of the county in which the offense is committed,
14 shall be paid ~~into-the-county-treasury-for-the-benefit~~
15 ~~of-the-school-fund~~ to the treasurer of state for
16 deposit in the general fund of the state, and two
17 or more penalties may be sued for and recovered in
18 the same action or suit.

19 Sec. 2. Section 99.30, Code 1983, is amended to
20 read as follows:

21 99.30 APPLICATION OF TAX. The ~~said~~ tax collected
22 shall be applied ~~in-payment-of-any~~ toward the
23 deficiency in the payment of costs of the action and
24 ~~abatement on-behalf-of-the-state-to-the-extent-of~~
25 ~~sueh-deficiency~~ which exist after the application
26 thereto of the proceeds of the sale of personal
27 property ~~as-hereinbefore-provided,-and-the.~~ The
28 remainder of ~~said~~ the tax together with the unexpended
29 portion of the proceeds of the sale of personal
30 property shall be ~~distributed-to-the-temporary-school~~
31 ~~fund-of-the-county~~ paid to the treasurer of state
32 for deposit in the general fund of the state, except
33 that ten percent of the amount of the whole tax
34 collected and of the whole proceeds of the sale of
35 ~~said~~ the personal property, as provided in this
36 chapter, shall be paid by the treasurer to the attorney
37 representing the state in the injunction action, at
38 the time of final judgment.

39 Sec. 3. Section 127.21, Code 1983, is amended
40 to read as follows:

41 127.21 ~~SCHOOL-FUND~~ PROCEEDS. Any balance of ~~said~~
42 the proceeds shall be paid by the sheriff to the
43 ~~county-treasurer-who-shall-credit-the-same-to-the~~
44 ~~county-school-fund~~ treasurer of state for deposit
45 in the general fund of the state.

46 Sec. 4. Section 279.33, Code 1983, is amended
47 to read as follows:

48 279.33 ANNUAL SETTLEMENTS. At a regular or special
49 meeting held ~~in-July-prior-to-or-on-July~~ not later
50 than August 15, the board of each school corporation

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1 shall meet, examine the books of and settle with the
2 secretary and treasurer for the year ending on the
3 ~~thirtieth-day-of~~ preceding June preceding 30, and
4 transact ~~such~~ other business as ~~may-properly-come~~
5 ~~before-it~~ necessary. The treasurer at the time of
6 ~~such~~ settlement shall furnish the board with a sworn
7 statement from each depository showing the balance
8 then on deposit in ~~such~~ the depository. ~~Should~~ If
9 the secretary or treasurer fail to make proper reports
10 for ~~such~~ the settlement, the board shall take action
11 to ~~secure-the-same~~ obtain the balance information.

12 Sec. 5. Section 279.34, Code 1983, is amended
13 to read as follows:

14 279.34 FINANCIAL STATEMENT--PUBLICATION. In each
15 school district, the board shall, during the second
16 week of ~~July~~ August of each year, publish by one
17 insertion in at least one newspaper, if there is a
18 newspaper published in ~~said~~ the district, a summarized
19 statement verified by affidavit of the secretary of
20 the board showing the receipts and disbursements of
21 all funds for the preceding school year. In all ~~such~~
22 districts of more than one hundred twenty-five thousand
23 population, the statement of disbursements is to show
24 the names of the persons, firms, or corporations,
25 and the total amount paid to each during the school
26 year.

27 Sec. 6. Section 279.35, Code 1983, is amended
28 to read as follows:

29 279.35 OTHER DISTRICTS--FILING STATEMENT. In
30 every school district ~~wherein~~ in which no newspaper
31 is published, the president and secretary of the board
32 of directors ~~thereof~~ shall file the ~~above~~ statement
33 required in section 279.34 with the area education
34 agency administrator during the second week of ~~July~~
35 August of each year and shall post copies ~~thereof~~
36 of the statement in three conspicuous places in the
37 district.

38 Sec. 7. Section 279.38, unnumbered paragraph 1,
39 Code 1983, is amended to read as follows:

40 Boards of directors of school corporations may
41 pay, out of funds available to them, reasonable annual
42 dues to ~~an~~ the Iowa association of school boards.
43 The financial condition and transactions of the Iowa
44 association of school boards shall be audited in the
45 same manner as school corporations as provided in
46 section 11.18. In addition, annually the Iowa
47 association of school boards shall publish a listing
48 of the school districts and the annual dues paid by
49 each and shall publish an accounting of all moneys
50 expended for expenses incurred by and salaries paid

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1 to legislative representatives and lobbyists of the
2 association.

3 Sec. 8. NEW SECTION. 297.33 LOAN AGREEMENTS.
4 In order to make immediately available proceeds of
5 the schoolhouse tax which has been approved by the
6 voters as provided in section 278.1, subsection 7,
7 the board of directors may, with or without notice,
8 borrow money and enter into loan agreements in anti-
9 cipation of the collection of the tax with a bank,
10 investment banker, trust company, insurance company,
11 or insurance group.

12 By resolution, the board shall provide for an
13 annual levy which is within the limits of the tax
14 approved by the voters to pay for the amount of the
15 principal and interest due each year until maturity.
16 The board shall file a certified copy of the resolution
17 with the auditor of each county in which the district
18 is located. The filing of the resolution with the
19 auditor shall make it the duty of the auditor to
20 annually levy the amount certified for collection
21 until funds are realized to repay the loan and interest
22 on the loan in full.

23 The loan must mature within the period of time
24 authorized by the voters and shall bear interest at
25 a rate which does not exceed the limits provided under
26 chapter 74A. A loan agreement entered into pursuant
27 to this section shall be in a form as the board of
28 directors shall by resolution provide and the loan
29 shall be payable as to both principal and interest
30 from the proceeds of the annual levy of the voted
31 tax pursuant to section 278.1, subsection 7, or so
32 much thereof as will be sufficient to pay the loan
33 and interest on the loan.

34 The proceeds of a loan must be deposited in a fund
35 which is separate from other district funds. Warrants
36 paid from this fund must be for purposes authorized
37 by the voters as provided in section 278.1, subsection
38 7.

39 This section does not limit the authority of the
40 board of directors to levy the full amount of the
41 voted tax, but if and to whatever extent the tax is
42 levied in any year in excess of the amount of principal
43 and interest falling due in that year under a loan
44 agreement, the first available proceeds, to an amount
45 sufficient to meet maturing installments of principal
46 and interest under the loan agreement, shall be paid
47 into the sinking fund for the loan before the taxes
48 are otherwise made available to the school corporation
49 for other school purposes, and the amount required
50 to be annually set aside to pay principal of and

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1 interest on the money borrowed under the loan agreement
2 shall constitute a first charge upon the proceeds
3 of the special voted tax, which tax shall be pledged
4 to pay the loan and the interest on the loan.

5 This section is supplemental and in addition to
6 existing statutory authority to finance the purposes
7 specified in section 278.1, subsection 7, and for
8 the borrowing of money and execution of loan agreements
9 in connection with that section and subsection, and
10 is not subject to any other law. The fact that a
11 school corporation may have previously borrowed money
12 and entered into loan agreements under authority of
13 this section does not prevent the school corporation
14 from borrowing additional money and entering into
15 further loan agreements if the aggregate of the amount
16 payable under all of the loan agreements does not
17 exceed the proceeds of the voted tax.

18 Sec. 9. Section 302.4, Code 1983, is amended to
19 read as follows:

20 302.4 DIVISION AND APPRAISEMENT. The board of
21 supervisors may, ~~at-such-time-as-it-may-fix,-and~~ as
22 preliminary to a sale, authorize the trustees of any
23 a township, where the sixteenth section or land
24 selected in lieu ~~thereof~~ of the sixteenth section
25 has not been sold, to lay out the ~~same section~~ into
26 ~~such~~ tracts as in their judgment will be for the best
27 interests of the permanent school fund, conforming,
28 as far as the interests of ~~said~~ the fund will permit,
29 to the legal subdivisions of the United States surveys,
30 and appraise each tract at what they believe to be
31 its true value, and certify to ~~said~~ the board the
32 divisions and appraisements made by ~~them~~. ~~Said~~ The
33 division and appraisement shall be approved or
34 disapproved by ~~said~~ the board at its first meeting
35 after ~~such~~ the report, and in case it disapproves
36 ~~the-same~~, it may at once order another division and
37 appraisement. If the board of supervisors approves,
38 the county auditor shall make and keep a record of
39 ~~such~~ the division, appraisement, and approval; but
40 no school lands ~~of-any-kind~~ shall not be sold for
41 less than the appraised value per acre, except as
42 ~~hereinafter~~ provided;-nor-shall-any. A member of
43 the board of supervisors, county auditor, township
44 trustee, or any a person who was engaged in the
45 division and appraisement of ~~said~~ the land, shall
46 not be directly or indirectly interested in the
47 purchase thereof of the land; and any sale made, where
48 ~~such~~ the parties ~~or-any-of-them-are-so-interested~~
49 have an interest in the land, shall be void.

50 Sec. 10. Section 302.6, Code 1983, is amended

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1 to read as follows:

2 302.6 SALE WITHOUT APPRAISEMENT. When the county
3 board of supervisors ~~of any county~~ has once offered
4 for sale any school lands held under section 302.1
5 in compliance with the requirements of this chapter,
6 and they remain unsold, and it is unable to obtain
7 ~~therefor~~ the appraised value thereof of the lands,
8 and in the opinion of said the board, it is for the
9 best interests of the permanent school fund that the
10 same lands be sold for a less price, it may instruct
11 the auditor to transmit to the secretary of state
12 a certified copy of its proceedings in relation to
13 the order of sale ~~thereof~~ of the land and subsequent
14 proceedings in relation ~~thereto~~ to the sale, including
15 the action of the township trustees, and the price
16 per acre at which the land had been appraised, ~~which~~
17 ~~transcript~~ the. The secretary of state shall submit
18 the transcript of the proceedings to the executive
19 council; and if it approves of a sale at a less sum,
20 it shall certify ~~such~~ the approval to the auditor
21 of the county from which ~~said the~~ transcript came,
22 ~~which.~~ The certificate shall be ~~transcribed~~ recorded
23 in the minute book of the board of supervisors, and
24 ~~thereupon~~ said the land may again be offered and sold
25 to the highest bidder without again being appraised,
26 after notice given as in case of sales in the first
27 instance, ~~without being again appraised.~~

28 Sec. 11. Section 302.8, Code 1983, is amended
29 to read as follows:

30 302.8 SALE OF LANDS BID IN. When lands have been
31 sold and bid in by the state in behalf of the permanent
32 school fund upon a judgment in favor of ~~such~~ the fund,
33 the land may be sold in ~~like~~ the same manner as other
34 school lands, and when lands have been conveyed to
35 the counties in which they are situated for the use
36 of the permanent school fund, instead of to the state,
37 ~~such the~~ conveyance shall ~~be~~ is valid and binding,
38 and upon proper certificates of sales patents shall
39 issue in ~~like~~ the same manner as ~~in cases where~~ if
40 the conveyances ~~were had been~~ properly made to the
41 state.

42 Sec. 12. Section 302.9, Code 1983, is amended
43 to read as follows:

44 302.9 CASH OR COLLATERAL SECURITY. When, in the
45 judgment of the board of supervisors, any school lands
46 held under section 302.1 are of such a character that
47 a sale upon partial credit would be unsafe or
48 incompatible with the interest of the permanent school
49 fund, and especially in the case of timbered lands,
50 the board of supervisors may ~~in its discretion~~ exact

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1 ~~the whole of~~ require the entire purchase money in
2 advance; or if ~~it~~ the board sells ~~such~~ the land upon
3 a partial credit, ~~as hereinbefore prescribed,~~ it shall
4 require good collateral security for the payment of
5 the part upon which credit is given.

6 Sec. 13. Section 302.10, Code 1983, is amended
7 to read as follows:

8 302.10 UNIFORM INTEREST DATE. ~~In all cases where~~
9 If money is due to the permanent school fund, either
10 for loans or deferred payments of the purchase price
11 of land sold, the interest shall be made payable on
12 the first day of January each year, and if the debtor
13 fails to pay the interest within six months ~~thereafter~~
14 of the date it is due, the entire amount of both
15 principal and interest shall become due, and the
16 county auditor shall ~~make a report thereof~~ the
17 nonpayment to the county attorney, who shall
18 immediately commence action for the collection of
19 the amount reported ~~to him~~ as due, ~~and this.~~ This
20 section is ~~hereby declared to be~~ a part of any a
21 contract made by virtue of this chapter, whether
22 expressed ~~therein~~ in the contract or not.

23 Sec. 14. Section 302.11, Code 1983, is amended
24 to read as follows:

25 302.11 SCHOOL FUND ACCOUNTS--AUDIT OF LOSSES.
26 The state comptroller shall keep the permanent school
27 fund accounts in books provided for that purpose,
28 separate and distinct from the revenue books. The
29 auditor of state shall audit ~~all~~ losses to the
30 permanent school or university fund ~~which shall have~~
31 ~~been occasioned~~ caused by the defalcation,
32 mismanagement, or fraud of the agents or officers
33 controlling and managing ~~the same, and for this purpose~~
34 the fund. The auditor of state shall prescribe such
35 ~~regulations~~ adopt rules for those officers as may
36 be necessary to ascertain such the losses.

37 Sec. 15. Section 302.15, Code 1983, is amended
38 to read as follows:

39 302.15 MANAGEMENT. ~~All property~~ Property and
40 money ~~hereafter~~ accrued to the permanent school fund
41 shall be managed and controlled by the state treasurer
42 of state, and he shall be the treasurer of state is
43 responsible for the safekeeping, investment,
44 reinvestment and disbursement of the same property
45 and money.

46 Sec. 16. Section 302.16, Code 1983, is amended
47 to read as follows:

48 302.16 ACTIONS. ~~All actions~~ Actions for and in
49 behalf of ~~said~~ the fund may be brought in the name
50 of the state for the use of the permanent school fund,

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1 by the attorney general.
2 Sec. 17. Section 302.17, Code 1983, is amended
3 to read as follows:
4 302.17 LIABILITY OF COUNTY. Each county shall
5 be is liable for all losses upon loans of the permanent
6 school fund, principal or interest, made in such the
7 county, unless the loss was not occasioned by reason
8 of any a default of its officers or by taking
9 insufficient or imperfect securities, or from a failure
10 to bid at an execution sale the full amount of the
11 judgment and costs.
12 Sec. 18. Section 302.19, Code 1983, is amended
13 to read as follows:
14 302.19 LOANS. The permanent school fund shall
15 be loaned out or invested by the state treasurer of
16 state as it comes into his the treasurer's hands.
17 Sec. 19. Section 302.28, Code 1983, is amended
18 to read as follows:
19 302.28 STATUTE OF LIMITATION. Lapse of time shall
20 ~~in-no-case-be~~ is not a bar to any action to recover
21 any a part of the permanent school fund, ~~nor-shall~~
22 and it does not prevent the introduction of evidence
23 in such an action, except as provided in sections
24 614.29 to 614.38.
25 Sec. 20. Section 302.29, Code 1983, is amended
26 to read as follows:
27 302.29 PAYMENTS. ~~All-payments~~ Payments to the
28 permanent school fund upon contracts, or loans of
29 ~~any-other~~ another nature, shall be made to the
30 treasurer of the county upon a certificate from the
31 auditor showing the amount due.
32 Sec. 21. Section 302.31, Code 1983, is amended
33 to read as follows:
34 302.31 SCHOOL FUND ACCOUNT--SETTLEMENT. The
35 auditor shall also keep ~~in-his-office~~, in books to
36 be provided for that purpose, an account to be known
37 as the permanent school fund account, in which a
38 memorandum of ~~all the~~ the notes, mortgages, bonds, money,
39 and assets ~~of-every-kind-and-description~~ which may
40 come into ~~his the~~ the auditor's hands and those of the
41 treasurer shall be entered, and separate accounts
42 of principal and interest be kept, ~~and-the~~. The
43 county treasurer shall also keep ~~a-like~~ an account
44 and record of all school funds coming into ~~his the~~
45 county treasurer's hands. Settlements of ~~such the~~
46 account shall be made with the board of supervisors
47 at its January and June sessions, ~~which and the~~
48 settlements shall be recorded with the proceedings
49 of the board.
50 Sec. 22. Section 302.32, Code 1983, is amended

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1 to read as follows:

2 302.32 NOTICE OF DEFAULT. When outstanding
3 contracts for the sale of school lands or notes for
4 money of the permanent school fund loaned, or interest
5 ~~thereon~~ on the permanent school fund, are due, the
6 auditor shall by mail at once notify the debtor to
7 make payment ~~thereof~~ within three months.

8 Sec. 23. Section 302.34, Code 1983, is amended
9 to read as follows:

10 302.34 BID AT EXECUTION SALE. Upon a sale of
11 lands under an execution founded upon a permanent
12 school fund claim or right, the auditor shall bid
13 ~~such a sum as required by~~ the interests of the fund
14 ~~require~~, and, if struck off to the state, it shall
15 be thereafter treated ~~in-all-respects~~ the same as
16 other lands belonging to ~~said~~ the fund.

17 Sec. 24. Section 302.35, Code 1983, is amended
18 to read as follows:

19 302.35 SHERIFF'S DEED TO STATE. When lands have
20 been bid in by the county for the state under
21 foreclosure of permanent school fund mortgages and
22 the time for redemption has expired, a sheriff's deed
23 shall be issued to the state for the use and benefit
24 of the permanent school fund. The county auditor
25 shall file the ~~said~~ deed for record in the office
26 of the county recorder who shall record the ~~same~~ deed
27 without fee and return ~~the-same~~ it when recorded to
28 the county auditor who shall then forward ~~the-same~~
29 it to the secretary of state. The secretary of state
30 shall record the ~~said~~ deed ~~in-his-records~~ and then
31 file ~~the-same~~ it with the state comptroller.

32 Sec. 25. Section 302.38, Code 1983, is amended
33 to read as follows:

34 302.38 EXCESS--LOSS BORNE BY COUNTY. Any An
35 excess over the amount of the unpaid portion of the
36 principal, costs of foreclosure, and interest on the
37 principal ~~as-above-provided~~, shall inure to the county
38 and be credited to the general county fund. If the
39 lands ~~shall-be~~ are sold for a less amount than the
40 unpaid portion of the principal, the loss shall be
41 sustained by the county, and the board of supervisors
42 shall at once order the amount of ~~such~~ the loss
43 transferred from the general fund ~~ex-temporary-school~~
44 ~~fund~~ of the county to the permanent school fund
45 account.

46 Sec. 26. Section 302.39, Code 1983, is amended
47 to read as follows:

48 302.39 REPORT AS TO SALES--INTEREST. County
49 auditors shall report, on or before ~~the-first-day~~
50 of January 1 of each year, ~~report~~ to the state

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1 comptroller the amount of ~~all~~ the sales and resales
2 made during the year previous year, of the sixteenth
3 section, five-hundred-thousand-acre grant, escheat
4 estates, and lands taken under foreclosure of permanent
5 school fund mortgages, and the state comptroller shall
6 charge ~~the same~~ them to the counties with interest
7 from the date of such sale or resale to January 1,
8 at the rate of three percent per annum.

9 Sec. 27. Section 302.42, Code 1983, is amended
10 to read as follows:

11 302.42 REPORT AS TO RENTS. County By January
12 1 of each year, county auditors shall, ~~upon the first~~
13 ~~day of January of each year,~~ report to the state
14 comptroller the amount of rents collected during the
15 preceding year on unsold school lands and lands taken
16 under foreclosure of permanent school fund mortgages
17 then in the hands of the county treasurer, and the
18 state comptroller shall include the amount ~~so~~ reported
19 ~~in his~~ the semiannual apportionment of interest.

20 Sec. 28. Section 302.44, Code 1983, is amended
21 to read as follows:

22 302.44 PENALTY AGAINST COUNTY AUDITOR. Any A
23 county auditor failing or neglecting to perform any
24 ~~of the required~~ duties ~~which are required of him by~~
25 ~~the provisions of~~ under this chapter, shall be is
26 liable to a penalty of not less than one hundred nor
27 more than five hundred dollars, to be recovered in
28 an action brought in the district court by the board
29 of supervisors, ~~the~~. The judgment to shall be entered
30 against the party and ~~his~~ the party's bondsmen, and
31 the proceeds ~~to go to the school fund~~ shall be paid
32 to the treasurer of state for deposit in the general
33 fund of the state.

34 Sec. 29. Section 331.502, subsection 50, Code
35 1983, is amended to read as follows:

36 50. ~~in the case of~~ For payment of a permanent
37 school fund mortgage, acknowledge satisfaction of
38 the mortgage by execution of a written instrument
39 referring to the mortgage as provided in section
40 655.1.

41 Sec. 30. Section 331.509, subsection 1, paragraph
42 o, Code 1983, is amended to read as follows:

43 o. The reports of magistrates and other officers,
44 including forfeited recognizances in their offices,
45 fines, penalties, forfeitures imposed in their
46 respective courts, and forfeited appearance bonds
47 in criminal cases, all of which are payable to the
48 ~~county treasury for the benefit of the school fund~~
49 treasurer of state to be deposited in the general
50 fund of the state.

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1 Sec. 31. Section 331.552, subsection 11, Code
2 1983, is amended by striking the subsection.

3 Sec. 32. Section 331.552, subsection 20, Code
4 1983, is amended to read as follows:

5 20. Maintain a permanent school fund account and
6 records of school funds received as provided in section
7 302.31.

8 Sec. 33. Section 360.3, Code 1983, is amended
9 to read as follows:

10 360.3 TRANSFER OF FUND. When there are funds
11 in the hands of any a township clerk, raised under
12 ~~the provisions of~~ this chapter which are not desired
13 for the purposes for which they were raised, the funds
14 may be transferred to the ~~school~~ general fund of any
15 a school district or districts pro rata wherein same
16 was in which the funds were raised, when a petition
17 is presented to the trustees, signed by a majority
18 of the qualified electors of said the township, as
19 shown by the election register or registers of the
20 last preceding primary or general election held in
21 said the township, ~~said~~. The transfer of funds to
22 shall be made by the township clerk upon order of
23 the trustees after the filing of said the petition
24 with said the clerk.

25 Sec. 34. Section 442.3, Code 1983, is amended
26 to read as follows:

27 442.3 STATE FOUNDATION BASE. The state foundation
28 base for the school year beginning July 1, 1972, is
29 seventy percent of the state cost per pupil. For
30 Except as otherwise provided in this section, for
31 each succeeding school year the state foundation base
32 shall be increased by the amount of one percent of
33 the state cost per pupil, up to a maximum of eighty
34 percent of the state cost per pupil. However, for
35 the school years beginning July 1, 1980, July 1, 1981,
36 and July 1, 1982, the state foundation base shall
37 be the same as the state foundation base for the
38 school year beginning July 1, 1979. For the school
39 year beginning July 1, 1984, the state foundation
40 base is eighty percent of the state cost per pupil
41 if the estimate of the ending fund balance of the
42 state general fund for the fiscal year beginning July
43 1, 1984 and ending June 30, 1985, as estimated by
44 the state comptroller in January, 1984, is equal to
45 or greater than thirty million dollars. The district
46 foundation base is the larger of the state foundation
47 base or the amount per pupil which the district will
48 receive from foundation property tax and state school
49 foundation aid.

50 Sec. 35. Section 442.4, Code 1983, is amended

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1 by adding the following new subsection after subsection
2 3.

3 NEW SUBSECTION. 3A. For the school year beginning
4 July 1, 1984 and each subsequent school year, if a
5 school district's basic enrollment for the budget
6 year is larger than its budget enrollment for the
7 budget year, the district shall use its basic
8 enrollment for the budget year in lieu of its budget
9 enrollment for the budget year for computations
10 required in this chapter.

11 Sec. 36. Section 442.4, subsection 4, Code 1983,
12 is amended by striking the subsection and inserting
13 in lieu thereof the following:

14 4. For the school year beginning July 1, 1984
15 and each succeeding school year, if an amount equal
16 to the district cost per pupil for the budget year
17 minus the amount included in the district cost per
18 pupil for the budget year to compensate for the cost
19 of special education support services for a school
20 district for the budget year times the budget
21 enrollment of the school district for the budget year
22 is less than one hundred two percent times an amount
23 equal to the district cost per pupil for the base
24 year minus the amount included in the district cost
25 per pupil for the base year to compensate for the
26 cost of special education support services for a
27 school district for the base year times the budget
28 enrollment for the school district for the base year,
29 the state comptroller shall increase the budget
30 enrollment for the school district for the budget
31 year to a number which will provide that one hundred
32 two percent amount.

33 Sec. 37. Section 442.7, subsection 5, Code 1983,
34 is amended by striking the subsection and inserting
35 in lieu thereof the following:

36 5. Notwithstanding subsections 1 through 4, for
37 the school year beginning July 1, 1984, if the estimate
38 of the ending fund balance of the state general fund
39 for the fiscal year beginning July 1, 1984 and ending
40 June 30, 1985, as estimated by the state comptroller
41 in January, 1984, is equal to or greater than thirty
42 million dollars and the state foundation base increases
43 to eighty percent pursuant to section 442.3, the state
44 percent of growth, including the recomputations
45 required under subsection 4, is six percent.

46 Sec. 38. Section 442.7, subsection 7, Code 1983,
47 is amended by adding the following new paragraph:

48 NEW PARAGRAPH. For the budget school year beginning
49 July 1, 1984, by adding to the basic allowable growth
50 per pupil for the budget year an amount not to exceed

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1 the amount of moneys received by a school district
2 under section 302.3 during the school year beginning
3 July 1, 1982 and ending June 30, 1983, as certified
4 by the board of directors to the state comptroller.
5 Sec. 39. Section 442.9, subsection 1, paragraph
6 a, Code 1983, is amended to read as follows:
7 a. As used in this chapter, "district cost per
8 pupil" for the school year beginning July 1, 1975,
9 and subsequent school years means district cost per
10 pupil in weighted enrollment. The district cost per
11 pupil for the budget year is equal to the district
12 cost per pupil for the base year plus the allowable
13 growth. However, district cost per pupil does not
14 include additional allowable growth added for programs
15 for gifted and talented children and for programs
16 for returning dropouts under this chapter and does
17 not include additional allowable growth established
18 by the school budget review committee for a single
19 school year only.

20 Sec. 40. Section 442.26, unnumbered paragraph
21 2, Code 1983, is amended by striking the unnumbered
22 paragraph and inserting in lieu thereof the following:
23 All state aids paid under this chapter, unless
24 otherwise stated, shall be paid in monthly installments
25 beginning on September 15 of a budget year and ending
26 on June 15 of the budget year and the installments
27 shall be as nearly equal as possible as determined
28 by the state comptroller, taking into consideration
29 the relative budget and cash position of the state
30 resources. However, the state aids paid to school
31 districts under section 442.28 shall be paid in monthly
32 installments beginning on December 15 and ending on
33 June 15 of a budget year and state aids paid to school
34 districts under section 442.38 shall be paid in monthly
35 installments beginning on February 15 and ending on
36 June 15 of a budget year.

37 Sec. 41. Section 442.39, unnumbered paragraph
38 1, Code 1983, is amended to read as follows:
39 In order to provide additional funds for school
40 districts which send their resident pupils to another
41 school district or to an area school for classes,
42 which jointly employ and share the services of teachers
43 under section 280.15, or which use the services of
44 a teacher employed by another school district, a
45 supplementary weighting plan for determining enroll-
46 ment is adopted as follows:

47 Sec. 42. Section 442.39, subsection 2, Code 1983,
48 is amended to read as follows:

49 2. Pupils attending classes in another school
50 district or an area school, attending classes taught

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1 by a teacher who is employed jointly under section
2 280.15, or attending classes taught by a teacher who
3 is employed by another school district, are assigned
4 a weighting of one plus one-tenth times the percent
5 of the pupil's school day during which the pupil
6 attends classes in another district or area school,
7 attends classes taught by a teacher who is jointly
8 employed under section 280.15, or attends classes
9 taught by a teacher who is employed by another school
10 district.

11 Sec. 43. NEW SECTION. 442.45 PROGRAMS FOR
12 RETURNING DROPOUTS. For the school year beginning
13 July 1, 1984 and succeeding school years, boards of
14 school districts, individually or jointly with boards
15 of other school districts, requesting to use additional
16 allowable growth for programs for returning dropouts,
17 may annually submit comprehensive program plans for
18 the programs and budget costs, including requests
19 for additional allowable growth for funding the
20 programs, to the department of public instruction
21 as provided in this chapter. In addition to the
22 requirements for program plans listed in section
23 442.32, the program plans shall include:

24 1. A provision for dropout prevention and
25 integration of dropouts into the educational program
26 of the district.

27 2. A provision for identifying dropouts.

28 3. A program for returning dropouts.

29 Program plans for dropouts shall identify the parts
30 of the plan that will be implemented first upon
31 approval of the application. If a district is
32 requesting to use additional allowable growth to
33 finance the program, it shall not identify more than
34 five percent of its budget enrollment for the budget
35 year as returning dropouts.

36 Sec. 44. NEW SECTION. 442.46 DEFINED. "Returning
37 dropouts" are resident pupils who have been enrolled
38 in a public or nonpublic school in any of grades seven
39 through twelve who withdrew from school for a reason
40 other than transfer to another school or school
41 district and who subsequently enrolled in public
42 school in the district.

43 Sec. 45. NEW SECTION. 442.47 PLANS FOR RETURNING
44 DROPOUTS. The board of directors of a school district
45 requesting to use additional allowable growth for
46 programs for returning dropouts shall submit
47 applications for approval for the programs to the
48 department not later than November 1 preceding the
49 fiscal year during which the program will be offered.
50 The department shall review the program plans and

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1 shall prior to January 15 either grant approval for
2 the program or return the request for approval with
3 comments of the department included. An unapproved
4 request for a program may be resubmitted with
5 modifications to the department not later than February
6 1. Not later than February 15, the department shall
7 notify the state comptroller and the school budget
8 review committee of the names of the school districts
9 for which the programs using additional allowable
10 growth for funding have been approved and the approved
11 budget of each program listed separately for each
12 school district having an approved program.

13 Sec. 46. NEW SECTION. 442.48 FUNDING FOR PROGRAMS
14 FOR RETURNING DROPOUTS. The budget of an approved
15 program for returning dropouts for a school district,
16 after subtracting funds received from other sources
17 for that purpose, shall be funded annually on a basis
18 of one-fourth or more from the district cost of the
19 school district and up to three-fourths by an increase
20 in allowable growth as defined in section 442.7.
21 Annually, the state comptroller shall establish a
22 modified allowable growth for each such district equal
23 to the difference between the approved budget for
24 the program for returning dropouts for that district
25 and the sum of the amount funded from the district
26 cost of the school district plus funds received from
27 other sources.

28 Sec. 47. Section 508.15, Code 1983, is amended
29 to read as follows:

30 508.15 VIOLATION BY FOREIGN COMPANY. Companies
31 organized and chartered by the laws of a foreign state
32 or country, failing to file the evidence of investment
33 and statement within the time fixed, shall forfeit
34 and pay the sum of three hundred dollars, to be
35 collected in an action in the name of the state ~~for~~
36 ~~the-use-of-the-school-fund~~ and paid to the treasurer
37 of state for deposit in the general fund of the state,
38 and their right to transact further new business in
39 this state shall immediately cease until the
40 requirements of this chapter have been fully complied
41 with.

42 Sec. 48. Section 511.7, Code 1983, is amended
43 to read as follows:

44 511.7 RECOVERY OF PENALTIES. Actions brought
45 to recover any of the penalties provided for in this
46 chapter shall be instituted in the name of the state
47 by the county attorney of the county, under the
48 direction and authority of the commissioner of
49 insurance, and may be brought in the district court
50 of any county in which the company or association

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1 proceeded against is engaged in the transaction of
2 business, or in which the offending person resides,
3 if it is against ~~him~~ the person. The penalties, when
4 recovered, shall be paid ~~into the state treasury for~~
5 ~~the use of the school fund~~ to the treasurer of state
6 for deposit in the general fund of the state.

7 Sec. 49. Section 515.93, Code 1983, is amended
8 to read as follows:

9 515.93 VIOLATIONS. Any A violation of the
10 ~~provisions of~~ sections 515.91 and 515.92 shall for
11 the first offense subject the company, association,
12 or individual guilty thereof to a penalty of five
13 hundred dollars, to be recovered in the name of the
14 state, with costs, in an action instituted by the
15 county attorney, either in the county in which the
16 company, association, or individual is located or
17 transacts business, or in the county where the offense
18 is committed, and ~~such~~ the penalty, when recovered,
19 shall be paid ~~into the school fund of the county in~~
20 ~~which action is brought~~ to the treasurer of state
21 for deposit in the general fund of the state. Every
22 subsequent violation of ~~said~~ the sections shall ~~subject~~
23 subjects the company, association, or individual to
24 a penalty of one thousand dollars, to be sued for,
25 recovered, and disposed of in like manner.

26 Sec. 50. Section 534.12, subsection 4, Code 1983,
27 is amended to read as follows:

28 4. REDEMPTION. ~~At any time~~ When funds are on
29 hand for the purpose, the association shall ~~have the~~
30 ~~right to~~ may redeem by lot or otherwise, as the board
31 of directors ~~may determine~~ determines, all or any
32 part of any of its savings accounts on a dividend
33 date by giving thirty days' notice by registered mail
34 addressed to the account holders at their last
35 addresses recorded on the books of the association.
36 An association shall not redeem ~~any of~~ its share
37 accounts when the association is in an impaired
38 condition or when it has applications for withdrawal
39 which have been on file more than thirty days and
40 have not been reached for payment. The redemption
41 price of a savings account shall be the full value
42 of the account redeemed, as determined by the board
43 of directors, but ~~in no event shall~~ the redemption
44 value shall not be less than the withdrawal value.
45 If the notice of redemption has been given, and if
46 on or before the redemption date the funds necessary
47 for the redemption have been set aside ~~so as to be~~
48 ~~and continue to be available~~ for redemptions, dividends
49 upon the accounts called for redemption shall cease
50 to accrue from and after the dividend date specified

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1 as the redemption date, and all rights with respect
2 to those accounts shall terminate as of the redemption
3 date, subject only to the right of the account holder
4 of record to receive the redemption value without
5 interest. All ~~savings~~ Savings accounts which have
6 been validly called for redemption must be tendered
7 for payment within ten years from the date of
8 redemption designated in the redemption notice, or
9 they shall be canceled and ~~forfeited-for-the-use-of~~
10 ~~the-school-fund-of-the-county-in-which-the-association~~
11 ~~has-its-principal-place-of-business~~ paid to the
12 treasurer of state for deposit in the general fund
13 of the state and all claims of the account holders
14 against the association shall ~~be~~ are barred forever.
15 Redemption shall not be made of any savings accounts
16 which are held by a person who is a director and which
17 are necessary to qualify the person to act as director.

18 Sec. 51. Section 535.5, Code 1983, is amended
19 to read as follows:

20 535.5 PENALTY FOR USURY. If it ~~shall-be~~ is
21 ascertained in ~~any~~ an action brought on ~~any~~ a contract
22 that a rate of interest has been contracted for,
23 directly or indirectly, in money or in property,
24 greater than is authorized by this chapter, the same
25 rate shall work a forfeiture of eight cents on the
26 hundred by the year upon the amount of the principal
27 remaining unpaid upon ~~such~~ the contract at the time
28 judgment is rendered ~~thereon~~, and the court shall
29 enter final judgment in favor of the plaintiff and
30 against the defendant for the principal sum ~~so~~
31 remaining unpaid without costs, and also against the
32 defendant and in favor of the state, ~~for-the-use-of~~
33 ~~the-school-fund-of-the-county-in-which-the-action~~
34 ~~is-brought~~ to be paid to the treasurer of state for
35 deposit in the general fund of the state, for the
36 amount of the forfeiture, ~~and-in-no-case-where~~. If
37 unlawful interest is contracted for ~~shall~~ the plaintiff
38 shall not have judgment for more than the principal
39 sum, whether the unlawful interest ~~be~~ is incorporated
40 with the principal or not.

41 Sec. 52. Section 586.1, subsection 4, Code 1983,
42 is amended to read as follows:

43 4. Acknowledgments of deeds, mortgages, permanent
44 school fund mortgages and contracts taken and certified
45 before 1970 by any county auditor, deputy county
46 auditor, or deputy clerk of the district court although
47 such officer was not authorized to take ~~such~~ the
48 acknowledgments at the time they were taken.

49 Sec. 53. Section 595.11, Code 1983, is amended
50 to read as follows:

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1 595.11 NONSTATUTORY SOLEMNIZATION--FORFEITURE.
2 Marriages solemnized, with the consent of parties,
3 in any other manner other than as herein that
4 prescribed in this chapter, are valid; but the parties
5 thereto, and all persons aiding or abetting them,
6 shall ~~forfeit to the school~~ pay to the treasurer of
7 state for deposit in the general fund of the state
8 the sum of fifty dollars each; but this shall not
9 apply to the person conducting the marriage ceremony,
10 if within fifteen days thereafter he the person makes
11 the required return to the clerk of the district
12 court.

13 Sec. 54. Section 602.55, Code 1983, is amended
14 to read as follows:

15 602.55 FUNDS, REPORTS. Each month each judicial
16 magistrate and district associate judge shall file
17 with the clerk of the district court of the proper
18 county a sworn, itemized statement of all cases
19 disposed of and all funds received and disbursed per
20 case, and at least monthly shall remit to the clerk
21 all funds received. The clerk shall provide adequate
22 clerical assistance to judicial magistrates and
23 district associate judges to carry out this section.
24 The clerk shall remit ninety percent of all fines
25 and forfeited bail received from a magistrate or
26 district associate judge to the city that was the
27 plaintiff in any action, shall remit to the city
28 ninety percent of all fines and forfeited bail received
29 for improper use of handicapped parking spaces in
30 violation of section 601E.6, subsection 2, when the
31 violations occurred within the city, shall remit all
32 fines and forfeited bail received from a magistrate
33 or district associate judge for violation of a county
34 ordinance except an ordinance relating to vehicle
35 speed or weight restrictions, to the county treasurer
36 of the county that was the plaintiff in any action
37 for deposit in the general fund of the county, and
38 shall provide that city or county with a statement
39 showing the total number of the cases, the total of
40 all fines and forfeited bail collected and the total
41 of all cases dismissed. However, if a county ordinance
42 provides a penalty for a violation which is also
43 penalized under state law, all fines and forfeited
44 bail collected for the violation of that ordinance
45 shall be ~~deposited~~ paid to the treasurer of state
46 for deposit in the ~~school~~ general fund of the state.
47 The clerk shall remit the remaining ten percent of
48 city fines and forfeited bail to the county treasurer
49 for deposit in the county general fund. The clerk
50 shall remit to the treasurer of ~~the county~~ state,

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1 ~~for the benefit of the school~~ deposit in the general
2 fund of the state, all other fines and forfeited bail
3 received from a magistrate. All fees and costs for
4 the filing of a complaint or information or upon
5 forfeiture of bail received from a magistrate shall
6 be remitted monthly by the clerk as follows:
7 1. One-half to the treasurer of state to be
8 credited to the general fund of the state.
9 2. One-third to the county treasurer to be credited
10 to the general fund of the county.
11 3. One-sixth to the treasurer of state to be
12 credited to the judicial retirement fund created in
13 section 605A.4.
14 Sec. 55. Section 633.545, Code 1983, is amended
15 to read as follows:
16 633.545 SALE--PROCEEDS. If within six months
17 from the giving of ~~such~~ notice, ~~no a claimant thereof~~
18 ~~appears, -such does not appear,~~ the property may be
19 sold and the proceeds paid over by the personal
20 representative to the state comptroller for the benefit
21 of the permanent school fund.
22 Sec. 56. Section 644.15, Code 1983, is amended
23 to read as follows:
24 644.15 PROCEEDS--FORFEITURE. The net proceeds
25 of ~~all~~ sales made by the sheriff, and ~~all~~ money or
26 bank notes paid over to the county treasurer, as
27 directed in this chapter, shall remain in the hands
28 of the county treasurer in trust for the owner, if
29 ~~any-such-shall-apply~~ the owner applies within one
30 year from the time the ~~same-shall~~ proceeds, moneys,
31 or bank notes would have been paid over, -but,
32 However, if no owner shall-appear appears within ~~such~~
33 ~~that time, the money proceeds, moneys, or bank notes~~
34 shall be forfeited, and the claim of the owner ~~thereto~~
35 is forever barred, in which event the money shall
36 ~~remain-in-the-county-treasury-for-the-use-of-the~~
37 ~~common-schools-in-said-county~~ be paid to the treasurer
38 of state for deposit in the general fund of the state.
39 Sec. 57. Section 666.3, Code 1983, is amended
40 to read as follows:
41 666.3 FINES AND FORFEITURES. ~~All-fines~~ Fines
42 and forfeitures, after deducting ~~therefrom~~ court
43 costs, court expenses collectible through the clerk
44 of the court, and fees of collection, if any, and
45 not otherwise disposed of, shall ~~go-into-the-treasury~~
46 ~~of-the-county-where-the-same-are-collected-for-the~~
47 ~~benefit-of-the-school-fund~~ be paid to the treasurer
48 of state for deposit in the general fund of the state.
49 Sec. 58. Section 666.6, unnumbered paragraph 1,
50 Code 1983, is amended to read as follows:

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1 The Not later than January 15 of each year, the
2 clerk of district court shall make an annual report
3 in writing to the board-of-supervisors-at-the-first
4 regular-meeting-of-the-board-in-January treasurer
5 of state of all forfeited recognizances in the clerk's
6 office; of all fines, penalties, and forfeitures
7 imposed in the district court, which by law go into
8 the-county-treasury-for-the-benefit-of-the-school
9 fund are paid to the treasurer of state for deposit
10 in the general fund of the state; in what cause or
11 proceeding, when and for what purpose, against whom
12 and for what amount, rendered; whether the fines,
13 penalties, forfeitures, and recognizances have been
14 paid, remitted, canceled, or otherwise satisfied;
15 if so, when, how, and in what manner, and if not paid,
16 remitted, canceled, or otherwise satisfied, what steps
17 have been taken to enforce the collection of the
18 fines, penalties, forfeitures and recognizances.
19 However, the report shall only contain information
20 not already reported on a monthly basis.

21 Sec. 59. Sections 127.22, 302.3, and 302.24, Code
22 1983, are repealed.

23 Sec. 60. Sections 4 through 8 and section 40 of
24 this Act take effect July 1, 1983. The remaining
25 sections of this Act take effect July 1, 1983 for
26 computations required for payment of state aid and
27 levying of property taxes under the state school
28 foundation program for the school year beginning July
29 1, 1984."

H-4014 FILED MAY 4, 1983

RECEIVED FROM THE SENATE

House amended (4056) - Concurred 5/6/83 (p. 1902)

H-4056

1 Amend H-4014, the Senate amendment to House File
2 562, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by inserting after line 45 the follow-
5 ing:

6 "Sec. ____ Section 265.6, Code 1983, is amended
7 to read as follows:

8 265.6 STATE AID APPLICABLE. If the state board
9 of regents has established a laboratory school, it
10 shall receive state aid pursuant to chapters 281 and
11 442 for each pupil enrolled in the laboratory school
12 in the same amount as the public school district in
13 which the pupil resides would receive aid for that
14 pupil and shall transmit the amount received to the
15 institution of higher education at which the laboratory
16 school has been established. If the board of a school
17 district terminates a contract with the state board
18 of regents for attendance of pupils in a laboratory
19 school, the school district shall inform the state
20 comptroller of the number of these pupils who are
21 enrolled in the district on the second Friday of the
22 following September. The state comptroller shall
23 pay to the school district, from funds appropriated
24 in section 442.26, an amount equal to the amount of
25 state aid paid for each pupil in that school district
26 for that school year in payments made as provided
27 in section 442.26. ~~However, payments shall not be~~
28 ~~made for pupils for which an advance is received by~~
29 ~~the district under section 442.28."~~

30 2. Page 10, by inserting after line 49 the follow-
31 ing:

32 "Sec. ____ Section 442.4, subsection 1, unnumbered
33 paragraph 5, Code 1983, is amended to read as follows:

34 A school district shall certify its basic enrollment
35 to the department of public instruction by September
36 25 of each year, and the department shall promptly
37 forward the information to the state comptroller.

38 ~~For purposes of determining whether a district is~~
39 ~~entitled to an advance for increasing enrollment a~~
40 ~~determination of actual enrollment shall be made on~~
41 ~~the second Friday of September in the budget year~~
42 ~~by counting the pupils in the same manner and to the~~
43 ~~same extent that they are counted in determining basic~~
44 ~~enrollment, but substituting the count in the budget~~
45 ~~year for the count in the base year. -- In addition,~~

46 a A school district shall determine its additional
47 enrollment because of special education defined in
48 section 442.38, on December 1 of each year and if
49 the district is entitled to an advance for special
50 education, it shall certify its additional enrollment

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1 because of special education to the department of
2 public instruction by December 15 of each year, and
3 the department shall promptly forward the information
4 to the state comptroller."

5 3. Page 10, by inserting after line 49 the follow-
6 ing:

7 "Sec. ____ . Section 442.4, subsection 3, paragraphs
8 a and b, Code 1983, are amended to read as follows:

9 a. ~~Twenty-five~~ Thirty percent of the basic
10 enrollment for the school year beginning July 1, 1979.

11 b. ~~Seventy-five~~ Seventy percent of the adjusted
12 enrollment computed under subsection 2, paragraph
13 "a," of this section."

14 4. By striking page 10, line 50, through page
15 11, line 10.

16 5. Page 11, by striking lines 36 through 45 and
17 inserting in lieu thereof the following:

18 "5. Notwithstanding subsections 1 through 4, for
19 the school year beginning July 1, 1984, the state
20 percent of growth, including the recomputations
21 required under subsection 4, is six and one-half
22 percent."

23 6. Page 14, by inserting after line 27 the follow-
24 ing:

25 "Sec. ____ . Section 453.2, Code 1983, is amended
26 by adding the following new unnumbered paragraph:

27 NEW UNNUMBERED PARAGRAPH. The written resolution
28 or order of the board of directors of a school board
29 shall include information concerning the interest
30 rate paid by the bank for deposits of school moneys
31 and service charges for at least two banks."

32 7. Page 19, by striking line 21 and inserting
33 in lieu thereof the following:

34 "Sec. ____ . Sections 127.22, 302.3, 302.24, and
35 442.28, Code".

36 8. Page 19, line 24, by inserting after the figure
37 "1983." the following: "Sections 1, 2, 3, 9 through
38 33 and 47 through 59 take effect July 1, 1984."

H-4056 FILED MAY 5, 1983

BY GROTH of Buena Vista

Adopted 5/6/83 (p. 1904)

1 Amend H-4014, the Senate amendment to House File
2 562, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 11, by inserting after line 45 the
5 following section:

6 "Sec. _____. Section 442.7, subsection 7, paragraph
7 a, Code 1983, is amended by striking the paragraph
8 and relettering the remaining paragraphs."

9 2. Page 12, by inserting after line 4 the following
10 section:

11 "Sec. _____. Section 442.8, unnumbered paragraph
12 2, Code 1983, is amended to read as follows:

13 However, for the budget years beginning July 1,
14 1980, July 1, 1982, and July 1, 1983, and July 1,
15 1984, the state cost per pupil shall equal the base
16 year's state cost per pupil plus the allowable growth
17 for the budget year plus an adjustment to the state
18 cost per pupil. For the budget years beginning July
19 1, 1980, July 1, 1982, and July 1, 1983, and July
20 1, 1984, the adjustment to the state cost per pupil
21 is twenty dollars per pupil, thirteen dollars per
22 pupil, and eight dollars per pupil, and twenty-two
23 dollars per pupil, respectively."

24 3. By numbering and renumbering sections as
25 necessary.

H-4082 FILED MAY 6, 1983

BY DAGGETT of Taylor

LOST (p. 1906)

HOUSE FILE 562

H-4085

1 Amend H-4014, the Senate Amendment to House File
2 562, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by striking lines 5 through 45.

5 2. Page 9, by striking lines 20 through 33.

6 3. By striking page 9, line 41 through page 10,
7 line 2.

8 4. By striking page 11, line 46 through page 12,
9 line 4.

10 5. By striking page 14, line 28 through page 16,
11 line 40.

12 6. By striking page 16, line 49 through page 18,
13 line 13.

14 7. By striking page 18, line 22 through page 19,
15 line 22.

16 8. By numbering and renumbering sections as
17 necessary.

H-4085 FILED MAY 6, 1983

BY OSTERBERG of Linn

LOST (p. 1907)

HOUSE FILE 562

H-4086

1 Amend the Senate amendment H-4014 to House File
2 562, as amended, passed and reprinted by the House,
3 as follows:

4 1. By striking page 2, line 46 through page 3,
5 2 and inserting in lieu thereof the words "section
6 11.18".

H-4086 FILED MAY 6, 1983

BY COREY of Louisa

LOST (p. 1908)

HOUSE AMENDMENT TO SENATE AMENDMENT TO
HOUSE FILE 562

S-3873

1 Amend H-4014, the Senate amendment to House File
2 562, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by inserting after line 45 the follow-
5 ing:

6 "Sec. ____ Section 265.6, Code 1983, is amended
7 to read as follows:

8 265.6 STATE AID APPLICABLE. If the state board
9 of regents has established a laboratory school, it
10 shall receive state aid pursuant to chapters 281 and
11 442 for each pupil enrolled in the laboratory school
12 in the same amount as the public school district in
13 which the pupil resides would receive aid for that
14 pupil and shall transmit the amount received to the
15 institution of higher education at which the laboratory
16 school has been established. If the board of a school
17 district terminates a contract with the state board
18 of regents for attendance of pupils in a laboratory
19 school, the school district shall inform the state
20 comptroller of the number of these pupils who are
21 enrolled in the district on the second Friday of the
22 following September. The state comptroller shall
23 pay to the school district, from funds appropriated
24 in section 442.26, an amount equal to the amount of
25 state aid paid for each pupil in that school district
26 for that school year in payments made as provided
27 in section 442.26. ~~However, payments shall not be~~
28 ~~made for pupils for which an advance is received by~~
29 ~~the district under section 442.28."~~

30 2. Page 10, by inserting after line 49 the follow-
31 ing:

32 "Sec. ____ Section 442.4, subsection 1, unnumbered
33 paragraph 5, Code 1983, is amended to read as follows:

34 A school district shall certify its basic enrollment
35 to the department of public instruction by September
36 25 of each year, and the department shall promptly
37 forward the information to the state comptroller.

38 ~~For purposes of determining whether a district is~~
39 ~~entitled to an advance for increasing enrollment a~~
40 ~~determination of actual enrollment shall be made on~~
41 ~~the second Friday of September in the budget year~~
42 ~~by counting the pupils in the same manner and to the~~
43 ~~same extent that they are counted in determining basic~~
44 ~~enrollment, but substituting the count in the budget~~
45 ~~year for the count in the base year. -- In addition,~~

46 a A school district shall determine its additional
47 enrollment because of special education defined in
48 section 442.38, on December 1 of each year and if
49 the district is entitled to an advance for special
50 education, it shall certify its additional enrollment

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1 because of special education to the department of
2 public instruction by December 15 of each year, and
3 the department shall promptly forward the information
4 to the state comptroller."

5 3. Page 10, by inserting after line 49 the follow-
6 ing:

7 "Sec. ____ . Section 442.4, subsection 3, paragraphs
8 a and b, Code 1983, are amended to read as follows:

9 a. ~~Twenty-five~~ Thirty percent of the basic
10 enrollment for the school year beginning July 1, 1979.

11 b. ~~Seventy-five~~ Seventy percent of the adjusted
12 enrollment computed under subsection 2, paragraph
13 "a," of this section."

14 4. By striking page 10, line 50, through page
15 11, line 10.

16 5. Page 11, by striking lines 36 through 45 and
17 inserting in lieu thereof the following:

18 "5. Notwithstanding subsections 1 through 4, for
19 the school year beginning July 1, 1984, the state
20 percent of growth, including the recomputations
21 required under subsection 4, is six and one-half
22 percent."

23 6. Page 14, by inserting after line 27 the follow-
24 ing:

25 "Sec. ____ . Section 453.2, Code 1983, is amended
26 by adding the following new unnumbered paragraph:

27 NEW UNNUMBERED PARAGRAPH. The written resolution
28 or order of the board of directors of a school board
29 shall include information concerning the interest
30 rate paid by the bank for deposits of school moneys
31 and service charges for at least two banks."

32 7. Page 19, by striking line 21 and inserting
33 in lieu thereof the following:

34 "Sec. ____ . Sections 127.22, 302.3, 302.24, and
35 442.28, Code".

36 8. Page 19, line 24, by inserting after the figure
37 "1983." the following: "Sections 1, 2, 3, 9 through
38 33 and 47 through 59 take effect July 1, 1984."

S-3873 FILED
MAY 10, 1983

RECEIVED FROM THE HOUSE

*Senate refused to concur 5/14/83 (p. 1760)
House insisted 5/14 (p. 2181)*

HOUSE FILE 562
FISCAL NOTE

REQUESTED BY SENATOR BROWN

In compliance with a written request there is hereby submitted a Fiscal Note for proposed Senate amendment to House File 562 pursuant to Joint Rule 17.

The proposed Senate amendment to House File 562 is an Act which: increases the state foundation base to eighty percent if the June 30, 1985 estimated ending fund balance is equal to or greater than \$30,000,000, sets the allowable growth at 6% if the June 30, 1985 estimated ending fund balance is equal to or greater than \$30,000,000, eliminates the temporary school fund and puts the money in the state general fund, allows school districts to use additional allowable growth to make up the loss of the temporary school fund, provides for a permanent 102% budget guarantee, provides for additional allowable growth for approved programs for returning drop-outs, provides for the payment of state aid in ten monthly installments, provides for a weighting of up to .1 for programs shared between high schools and area schools, provides for the use of the previous September headcount, or budget enrollment, whichever is higher, changes annual settlement date to August 15, requires an audit of IASB accounts, and provides for execution of loan agreements in anticipation of collection of the schoolhouse tax.

Sections 1 through 3, 9 through 33, 38, and 47 through 59 eliminates the temporary school fund (semiannual apportionment and confiscatory allotments) and puts the money in the state general fund as of July 1, 1983. It allows the school districts to use additional allowable growth beginning in 1983-1984 to make up the loss in miscellaneous income based upon 1981-1982 temporary school fund receipts.

Fiscal Effect: According to the Secretary's Annual Report for the 1981-1982 school year, individual school districts reported \$11,487,653 in temporary fund moneys. The temporary school fund collected in 1982-1983 would be put into the state general fund. School districts would be able to increase allowable growth to make up the temporary school fund in 1982-1985. Any increase in allowable growth would be reflected in increased property tax, potentially in the amount of the temporary school fund.

Sections 4, 5, and 6 provide for the financial settlement by August 15. Previously, this was required to be done by July 15.

Fiscal Effect: This is a procedural change with no anticipated fiscal effect.

Section 7 requires an audit of the Iowa Association of School Boards accounts and a publishing of a listing of districts and dues paid by each and a accounting of lobbying expenses beginning July 1, 1983.

Fiscal Effect: This is a procedural change with no cost to the state of the audits.

Section 8 provides for execution of loan agreements in anticipation of collection of the schoolhouse tax beginning July 1, 1983.

Fiscal Effect: This change has no cost to the state. It will allow an increase in the property tax levy to pay off the principle and interest on those loan agreements. The fiscal impact will depend upon the number of school districts participating.

Sections 34 through 36 sets the state foundation base at 80 percent and allowable growth at 6 percent for 1984-1985 if the State Comptroller's estimate made in January, 1984 of the ending fund balance on June 30, 1985 is equal to or greater than \$30,000,000. If that balance is estimated to be below \$30,000,000 then the state foundation base would go to 79 percent and allowable growth is estimated to be 5.8 percent. Also provided for is a permanent 102 percent budget guarantee and allows the use of the headcount for the previous September, or the budget enrollment, whichever is higher, beginning July 1, 1984.

Fiscal Effect: The school aid formula for 1984-1985, under each proposal are shown as follows:

	<u>Ending Fund Balance Below \$30,000,000¹</u>	<u>Ending Fund Balance Above \$30,000,000²</u>
State Aid	\$ 715,858,000	\$ 730,722,000
Additional Levy	303,191,000	289,844,000
Uniform Levy	<u>370,648,000</u>	<u>370,648,000</u>
Total Budget	<u>\$1,389,697,000</u>	<u>\$1,391,214,000</u>

¹ Includes a 79 percent foundation level, 102 percent budget guarantee, advance for increasing enrollment, and a 5.8 percent increase in allowable growth.

² Includes an 80 percent foundation level, 102 percent budget guarantee, advance for increasing enrollment, and 6 percent increase in allowable growth.

Section 39, and 43 through 46 provide that school districts that want to provide programs to accommodate returning dropouts can request approval for additional allowable growth under the state school foundation formula. At least one-fourth of the budget comes from the districts' controlled budget and up to three-fourths can come from additional allowable growth.

Fiscal Effect: These sections would have no fiscal effect upon state dollars. No provision is made to increase a districts' controlled budget which must make up at least one-fourth of program cost. The remaining program cost which comes from additional allowable growth will be property tax dollars. The Department of Public Instruction estimates a property tax increase of \$1.7 million statewide by 1985-1986 to fund the program.

Section 40 provides for monthly payment of state aid from September 15 through through June 15. Currently, state aid payments are on a quarterly basis.

Fiscal Effect: The current law allows the state greater flexibility than this section. Under this proposed section, the school districts would know when and how much state aid would be coming. The fiscal effect of this change is unknown.

Sections 40 and 41 provide for additional weighting for students of school districts which have pupils attending classes at an area school. An additional weighting of one-tenth times the percent of the pupils school day during which the pupil attends classes in an area school.

FISCAL EFFECT: Currently 261 full time equivalent students that attend an area school. The state cost would be around \$25,000 and the property tax increase would be around \$25,000. The final cost will depend upon the number of students participating.

SENATE 8
APRIL 14, 1983

HOUSE FILE 562
FISCAL NOTE

REQUESTED BY SENATOR BROWN

In compliance with a written request there is hereby submitted a Fiscal Note for House File 562 as amended by the Senate Education Committee pursuant to Joint Rule 17.

House File 562, as amended by Senate Education Committee, is an Act which: increases the state foundation base to eighty percent, provides for a permanent 100 percent budget guarantee, eliminates the temporary school fund and puts the money in the state general fund, allows school districts to use additional allowable growth to make up the loss in miscellaneous income, takes the state aid portion of cash balances of school districts during 1985-1986 based upon five-sixths of the districts authorized budget for 1985-1986, and allows for additional allowable growth to districts for approved programs for returning dropouts.

Sections 1 through 3, 8 through 32, 35, and 43 through 55 eliminates the temporary school fund (semiannual apportionment and confiscatory allotments) and puts the money in the state general fund as of July 1, 1983. It allows the school districts to use additional allowable growth beginning in 1983-1984 to make up the loss in miscellaneous income based upon 1981-1982 temporary school fund receipts.

Fiscal Effect: According to the Secretary's Annual Report for the 1981-1982 school year, individual school districts reported \$11,487,653 in temporary fund moneys. The temporary school fund would be put into the state general fund. School districts would be able to increase allowable growth to make up the temporary school fund. Any increase in allowable growth would be reflected in increased property tax, potentially in the amount of the temporary school fund.

Sections 4 and 55 prohibits local school boards, area education boards and merged area school boards from the current practice of using school funds to pay reasonable annual membership dues to an Iowa association of school boards.

Fiscal Effect: The total amount of membership dues paid is not presently known. The effect would be to increase school funds available for other purposes by the amount of membership dues currently paid. Individual board members would be responsible for any membership dues.

Sections 5, 6, and 7 provide for the financial settlement by August 15. Previously, this was required to be done by July 15.

Fiscal Effect: This is a procedural change with no anticipated fiscal effect.

Section 33 increases the state foundation base to 80 percent of the state cost per pupil for the school year beginning July 1, 1984, and thereafter. Under current law the state foundation base would be at 79 percent for the 1984-1985 school year and would increase 1 percent the succeeding school year up to a maximum of 80 percent.

Fiscal Effect: Under this proposal, the increase of the state foundation base to 80 percent rather than 79 percent in 1984-1985 will increase state aid by \$13,774,349 and reduce property taxes by the same amount, \$13,774,349.

Section 34 provides for a permanent 100 percent budget guarantee. If a school districts' regular program budget is less than 100 percent of the preceding year, it is guaranteed a budget enrollment which would provide 100 percent. Currently, there is a 100 percent budget guarantee for the 1983-1984 school year, but there is no budget guarantee for the 1984-1985 school year or succeeding school years.

Fiscal Effect: Under the current law for the 1984-1985 school year, there is no budget guarantee. By providing a 100 percent budget guarantee, state aid would be increased by \$2,348,804 and property tax would increase by \$742,793.

Sections 36, and 39 through 42 provide that school districts that wish to provide programs to accommodate returning dropouts can request approval for additional allowable growth under the state school foundation formula. At least one-fourth of the budget comes from the districts' controlled budget and up to three-fourths can come from additional allowable growth.

Fiscal Effect: These sections would have no fiscal effect upon state dollars. No provision is made to increase a districts' controlled budget which must make up at least one-fourth of program cost. The remaining program cost which comes from additional allowable growth will be property tax dollars. The Department of Public Instruction estimates a property tax increase of \$1.7 million statewide by 1985-1986 to fund the program.

Section 37 provides for monthly payment of state aid from September 15 through June 15. Currently, state aid payments are on a quarterly basis.

Fiscal Effect: The current law allows the state greater flexibility than this section. Under current law, the comptroller is able to take into consideration the relative budget and cash position of state resources. Under this proposed section, the school districts would know when and how much state aid would be coming. The overall fiscal effect of this change is unknown.

Section 38 deducts the amount of the unexpended cash balance as of June 30, 1985, that is state aid. This amount is not to exceed an amount equal to five-sixths times the authorized budget. However, the amount deducted by the state comptroller shall not reduce the amount of unexpended cash balance below \$100,000.

Fiscal Effect: According to the Secretary's Annual Report for the 1981-1982 school year, individual school districts reported an ending fund balance less five-sixths times the authorized budget of over \$18 million. School districts have the authority to spend their unexpended cash balances. It is anticipated that most school districts which have balances larger than provided for in this section, will spend down below that level before any funds revert to the state.

SUMMARY

	<u>State Aid</u>	<u>Property Tax</u>
<u>Sections 1 through 3, 8 through 32, 35 and 43 through 55</u> increases the general fund and a potential increase in property tax.	\$ (11,487,653)	11,487,653

State Aid Property Tax

Sections 4 and 55 cost is unknown.

Sections 5, 6, and 7 has no anticipated fiscal effect.

Section 33 reduces property tax and increases state aid in 1984-1985. 13,774,349 (13,774,349)

Section 34 increases property tax and state aid in 1984-1985. 2,348,804 742,793

Sections 36 and 39 through 42 increases property tax in 1985-1986, an estimated 1,700,000

Section 37 - the cost is unknown.

Section 38 - the fiscal impact is expected to be small.

The school aid formula for 1984-1985, under current law as proposed by this amendment, and as proposed by House File 562, are shown as follows:

	<u>Current Law</u> ¹	<u>Senate Education Proposal</u> ²	<u>House Proposal</u> ³
State Aid	\$ 710,917,000	726,865,000	740,721,000
Additional Levy	301,569,000	288,714,000	292,570,000
Uniform Levy	369,980,000	369,980,000	369,980,000
Total Budget	\$1,382,466,000	1,385,559,000	1,403,271,000

¹ Includes a 79 percent foundation level, no budget guarantee, advance for increasing enrollment, a 5 percent increase in valuation, and a 5.8 percent increase in allowable growth.

² Includes an 80 percent foundation level, 100 percent budget guarantee, advance for increasing enrollment, a 5 percent increase in valuation, and a 5.8 percent increase in allowable growth.

³ Includes an 80 percent foundation level, 102 percent budget guarantee, advance for only special education increasing enrollment, a 5 percent increase in valuation, a set 6.5 percent increase in allowable growth, and a recalculation of budget enrollment so 30 percent rather than 25 percent of a school districts' 1978 head-count and 70 percent rather than 75 percent of a school districts' adjusted enrollment is used.

(662.X07, 83-476, GPD)

FILED:
 APRIL 13, 1983

BY LEGISLATIVE FISCAL BUREAU
 DENNIS C. PROUTY, DIRECTOR

REPORT OF THE CONFERENCE COMMITTEE
ON HOUSE FILE 562

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

We, the undersigned members of the conference committee appointed to resolve the difference between the Senate and the House of Representatives on House File 562, a bill for an Act relating to funds available to school districts, respectfully make the following report:

1. That the House of Representatives recedes from its amendment, S-3873, to the Senate amendment to House File 562, as amended, passed, and reprinted by the House.

2. That the Senate amendment, H-4014, to House File 562, as amended, passed, and reprinted by the House, is amended as follows:

1. Page 11, line 45, by inserting after the word "six" the words "and two-tenths".

2. Page 12, by inserting after line 19 the following section:

"Sec. ____ . Section 442.8, unnumbered paragraph 2, Code 1983, is amended to read as follows:

However, for the budget years beginning July 1, 1980, July 1, 1982, and July 1, 1983, and July 1, 1984, the state cost per pupil shall equal the base year's state cost per pupil plus the allowable growth for the budget year plus an adjustment to the state cost per pupil. For the budget years beginning July 1, 1980, July 1, 1982, and July 1, 1983, and July 1, 1984, the adjustment to the state cost per pupil is twenty dollars per pupil, thirteen dollars per pupil, and eight dollars per pupil, and eight dollars per pupil, respectively."

3. Page 19, by inserting after line 20 the following:

"Sec. ____ . Notwithstanding section 442.7, subsection 7, paragraph a, if the state cost per pupil for the budget year beginning July 1, 1984 exceeds the district cost per pupil

FINAL CLIP SHEET, MAY 1983
Page Four

CONFERENCE COMMITTEE REPORT, HOUSE FILE 562
Page Two

for the budget year beginning July 1, 1984, the basic allowable growth per pupil for the budget year shall equal one hundred percent of the product of the state cost per pupil for the base year times the state percent of growth for the budget year."

4. Page 19, line 24, by inserting after the figure "1983." the following: "Sections 1, 2, 3, 9 through 33, and 47 through 59 take effect July 1, 1984.

5. By numbering and renumbering sections and correcting internal references as necessary.

ON THE PART OF THE HOUSE:

RICHARD GROTH, Chairperson
MIKE CONNOLLY
C. ARTHUR OLLIE

House adopted 5/14/83 (p. 2203)
FILED MAY 14, 1983

ON THE PART OF THE SENATE:

JOE BROWN, Chairperson
MILO COLTON
ARTHUR L. GRATIAS
WALLY E. HORN

Senate adopted 5/14/83 (p. 1774)

HOUSE FILE 562 (H-4056)
FISCAL NOTE

REQUESTED BY REPRESENTATIVE GROTH

In compliance with a written request received May 6, 1983, there is hereby submitted a Fiscal Note for Amendment H-4056 to the Senate amendment to House File 562 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.

Amendment H-4056 to the Senate amendment to House File 562 is an Act which: eliminates the advance for regular program increasing enrollment currently in the formula, eliminates the Senate amendment proposal to allow for the use of the previous September headcount, or budget enrollment, whichever is higher, changes the method of calculating budgeted enrollment to 30 percent of 1978 headcount and 70 percent of adjusted enrollment, sets the allowable growth at 6.5 percent, and mandates school districts investigate interest rates.

Items 1, 2 and 7 eliminates the advance for increasing enrollment for in a school district regular enrollment, the advance for special education enrollment still remains. Currently if a districts actual enrollment for the budget year is higher than its budget enrollment for the budget year the district is entitled to an advance from the state in the amount of the difference.

FISCAL EFFECT: The elimination of the advance for increasing enrollments is expected to affect 23 school districts and eliminate the payment of \$942,000 in state aid in 1984-1985 under this proposal.

Item 3 changes the method by which budget enrollment is calculated for a school district. Currently, budget enrollment is equal to 25 percent of a school districts' 1978 headcount and 75 percent of a school districts' adjusted enrollment. This would be changed, in 1984-1985, so 30 percent of a school districts' 1978 headcount and 70 percent of a school districts adjusted enrollment is used.

FISCAL EFFECT: The effect of increasing the percentage of 1978 headcount will be to increase the budget enrollment due to a larger headcount in 1978 than present. This is expected to cost an estimated \$5.9 million in state aid and \$1.6 million in property tax.

Item 4 allows schools to use the previous September headcount, or budget enrollment, whichever is higher in 1984-1985.

FISCAL EFFECT: For the 1984-1985 school year it is estimated that this would increase state aid by \$515,000 and increase property tax by \$193,000.

Item 5 sets the allowable growth in 1984-1985 at 6.5%. Currently allowable growth is calculated to be 5.8%.

FISCAL EFFECT: This is expected to cost an estimated \$5.3 million in state aid and \$1.6 million in property tax, in 1984-1985.

FISCAL NOTE, HOUSE FILE 562, (H-4056)
Page Two

Item 7 mandates that the board of directors of a school board include in their minutes information concerning interest rates for at least two banks.

FISCAL EFFECT: This is anticipated to have no fiscal effect.

The school aid formula for 1984-1985, under the Senate amendment, and as proposed by this amendment are shown:

	Senate Version Ending Fund Balance Below \$30,000,000 ¹	Senate Version Ending Fund Balance Above \$30,000,000 ²	Proposed 70/30 ³
State Aid	\$ 715,858,000	\$730,722,000	\$740,721,000
Addl. Levy	303,191,000	289,844,000	292,570,000
Uniform Levy	370,648,000	370,648,000	370,648,000
Total Budget	\$1,389,697,000	\$1,391,214,000	\$1,403,939,000

¹ Includes a 79 percent foundation level, 102 percent budget guarantee, advance for increasing enrollment, and a 5.8 percent increase in allowable growth.

² Includes an 80 percent foundation level, 102 percent budget guarantee, advance for increasing enrollment, and 6 percent increase in allowable growth.

³ Includes an 80 percent foundation level, 102 percent budget guarantee, no advance for regular program increasing enrollment, 6.5 percent increase in allowable growth, and 70/30 calculation of budgeted enrollment.

FILED MAY 6, 1983

(562.X09, 83-508, GPD)
BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 562

AN ACT

RELATING TO FUNDS AVAILABLE TO SCHOOL DISTRICTS.

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

Section 1. Section 32.2, Code 1983, is amended to read as follows:

32.2 ACTIONS FOR PENALTY. ~~Such~~ The action or suit may be brought by and in the name of the state, on the relation of ~~any a~~ a citizen ~~thereof of the state~~, and ~~such the~~ the penalty, when collected, less the reasonable cost and expense of action or suit and recovery, to be certified by the clerk of the district court of the county in which the offense is committed, shall be paid ~~into the county treasury for the benefit of the school fund to the treasurer of state for deposit in the general fund of the state~~, and two or more penalties may be sued for and recovered in the same action or suit.

Sec. 2. Section 99.30, Code 1983, is amended to read as follows:

99.30 APPLICATION OF TAX. The ~~said~~ tax collected shall be applied ~~in payment of any~~ toward the deficiency in the payment of costs of the action and abatement ~~on behalf of the state to the extent of such deficiency which exist~~ after the application ~~thereto~~ of the proceeds of the sale of personal property ~~as hereinbefore provided; and the~~... The remainder of ~~said the~~ the tax together with the unexpended portion of the proceeds of the sale of personal property shall be ~~distributed to the temporary school fund of the county paid to the treasurer of state for deposit in the general fund of the~~

state, except that ten percent of the amount of the whole tax collected and of the whole proceeds of the sale of ~~said the~~ the personal property, as provided in this chapter, shall be paid by the treasurer to the attorney representing the state in the injunction action, at the time of final judgment.

Sec. 3. Section 127.21, Code 1983, is amended to read as follows:

127.21 ~~SCHOOL-FUND PROCEEDS~~. Any balance of ~~said the~~ the proceeds shall be paid by the sheriff to the ~~county treasurer who shall credit the same to the county school fund~~ treasurer of state for deposit in the general fund of the state.

Sec. 4. Section 279.33, Code 1983, is amended to read as follows:

279.33 ANNUAL SETTLEMENTS. At a regular or special meeting held ~~in July prior to or on July not later than August 15~~, the board of each school corporation shall meet, examine the books of and settle with the secretary and treasurer for the year ending on the ~~thirtieth day of~~ preceding June ~~preceding 30~~, and transact ~~such other business as may properly come before it necessary~~. The treasurer at the time of ~~such~~ each settlement shall furnish the board with a sworn statement from each depository showing the balance then on deposit in ~~such the~~ each depository. ~~Should if~~ Should if the secretary or treasurer fail to make proper reports for ~~such the~~ each the settlement, the board shall take action to ~~secure the same~~ obtain the balance information.

Sec. 5. Section 279.34, Code 1983, is amended to read as follows:

279.34 FINANCIAL STATEMENT--PUBLICATION. In each school district, the board shall, during the second week of July ~~August~~ of each year, publish by one insertion in at least one newspaper, if there is a newspaper published in ~~said the~~ the district, a summarized statement verified by affidavit of the secretary of the board showing the receipts and disbursements of all funds for the preceding school year.

In all such districts of more than one hundred twenty-five thousand population, the statement of disbursements is to show the names of the persons, firms, or corporations, and the total amount paid to each during the school year.

Sec. 6. Section 279.35, Code 1983, is amended to read as follows:

279.35 OTHER DISTRICTS--FILING STATEMENT. In every school district ~~wherein~~ in which no newspaper is published, the president and secretary of the board of directors thereof shall file the ~~above~~ statement required in section 279.34 with the area education agency administrator during the second week of ~~July~~ August of each year and shall post copies thereof of the statement in three conspicuous places in the district.

Sec. 7. Section 279.38, unnumbered paragraph 1, Code 1983, is amended to read as follows:

Boards of directors of school corporations may pay, out of funds available to them, reasonable annual dues to ~~an~~ the Iowa association of school boards. The financial condition and transactions of the Iowa association of school boards shall be audited in the same manner as school corporations as provided in section 11.18. In addition, annually the Iowa association of school boards shall publish a listing of the school districts and the annual dues paid by each and shall publish an accounting of all moneys expended for expenses incurred by and salaries paid to legislative representatives and lobbyists of the association.

Sec. 8. NEW SECTION. 297.33 LOAN AGREEMENTS. In order to make immediately available proceeds of the schoolhouse tax which has been approved by the voters as provided in section 278.1, subsection 7, the board of directors may, with or without notice, borrow money and enter into loan agreements in anticipation of the collection of the tax with a bank, investment banker, trust company, insurance company, or insurance group.

By resolution, the board shall provide for an annual levy which is within the limits of the tax approved by the voters to pay for the amount of the principal and interest due each year until maturity. The board shall file a certified copy of the resolution with the auditor of each county in which the district is located. The filing of the resolution with the auditor shall make it the duty of the auditor to annually levy the amount certified for collection until funds are realized to repay the loan and interest on the loan in full.

The loan must mature within the period of time authorized by the voters and shall bear interest at a rate which does not exceed the limits provided under chapter 74A. A loan agreement entered into pursuant to this section shall be in a form as the board of directors shall by resolution provide and the loan shall be payable as to both principal and interest from the proceeds of the annual levy of the voted tax pursuant to section 278.1, subsection 7, or so much thereof as will be sufficient to pay the loan and interest on the loan.

The proceeds of a loan must be deposited in a fund which is separate from other district funds. Warrants paid from this fund must be for purposes authorized by the voters as provided in section 278.1, subsection 7.

This section does not limit the authority of the board of directors to levy the full amount of the voted tax, but if and to whatever extent the tax is levied in any year in excess of the amount of principal and interest falling due in that year under a loan agreement, the first available proceeds, to an amount sufficient to meet maturing installments of principal and interest under the loan agreement, shall be paid into the sinking fund for the loan before the taxes are otherwise made available to the school corporation for other school purposes, and the amount required to be annually set aside to pay principal of and interest on the money borrowed under the loan agreement shall constitute a first charge upon the proceeds of the special voted tax, which tax shall be pledged to pay the loan and the interest on the loan.

This section is supplemental and in addition to existing statutory authority to finance the purposes specified in section 278.1, subsection 7, and for the borrowing of money and execution of loan agreements in connection with that section and subsection, and is not subject to any other law. The fact that a school corporation may have previously borrowed money and entered into loan agreements under authority of this section does not prevent the school corporation from borrowing additional money and entering into further loan agreements if the aggregate of the amount payable under all of the loan agreements does not exceed the proceeds of the voted tax.

Sec. 9. Section 302.4, Code 1983, is amended to read as follows:

302.4 DIVISION AND APPRAISEMENT. The board of supervisors may, ~~at such time as it may fix, and~~ as preliminary to a sale, authorize the trustees of any a township, where the sixteenth section or land selected in lieu thereof ~~of the sixteenth section~~ has not been sold, to lay out the same section into ~~such~~ tracts as in their judgment will be for the best interests of the permanent school fund, conforming, as far as the interests of ~~said the~~ fund will permit, to the legal subdivisions of the United States surveys, and appraise each tract at what they believe to be its true value, and certify to ~~said the~~ board the divisions and appraisements made by them. ~~Said The~~ division and appraisement shall be approved or disapproved by ~~said the~~ board at its first meeting after ~~such the~~ report, and in case it disapproves ~~the same,~~ it may at once order another division and appraisement. If the board of supervisors approves, the county auditor shall make and keep a record of ~~such the~~ division, appraisement, and approval; but no school lands ~~of any kind~~ shall not be sold for less than the appraised value per acre, except as ~~hereinafter provided, nor shall any.~~ A member of the board of supervisors, county auditor, township trustee, or any a person who was

engaged in the division and appraisement of ~~said the~~ land, shall not be directly or indirectly interested in the purchase thereof of the land; and any sale made, where ~~such the~~ parties ~~or any of them are so interested~~ have an interest in the land, shall be void.

Sec. 10. Section 302.6, Code 1983, is amended to read as follows:

302.6 SALE WITHOUT APPRAISEMENT. When the county board of supervisors ~~of any county~~ has once offered for sale any school lands held under section 302.1 in compliance with the requirements of this chapter, and they remain unsold, and it is unable to obtain ~~therefor~~ the appraised value thereof of the lands, and in the opinion of ~~said the~~ board, it is for the best interests of the permanent school fund that the same lands be sold for a less price, it may instruct the auditor to transmit to the secretary of state a certified copy of its proceedings in relation to the order of sale thereof of the land and subsequent proceedings in relation thereto to the sale, including the action of the township trustees, and the price per acre at which the land had been appraised, ~~which transcript the.~~ The secretary of state shall submit the transcript of the proceedings to the executive council; and if it approves of a sale at a less sum, it shall certify ~~such the~~ approval to the auditor of the county from which ~~said the~~ transcript came, ~~which.~~ The certificate shall be ~~transcribed~~ recorded in the minute book of the board of supervisors, and ~~thereupon said the~~ land may again be offered and sold to the highest bidder without again being appraised, after notice given as in case of sales in the first instance, without being again appraised.

Sec. 11. Section 302.8, Code 1983, is amended to read as follows:

302.8 SALE OF LANDS BID IN. When lands have been sold and bid in by the state in behalf of the permanent school fund upon a judgment in favor of ~~such the~~ fund, the land may

be sold in ~~like the same~~ manner as other school lands, and when lands have been conveyed to the counties in which they are situated for the use of the permanent school fund, instead of to the state, ~~such the~~ conveyance ~~shall-be is~~ valid and binding, and upon proper certificates of sales patents shall issue in ~~like the same~~ manner as ~~in-cases-where if~~ the conveyances were had been properly made to the state.

Sec. 12. Section 302.9, Code 1983, is amended to read as follows:

302.9 CASH OR COLLATERAL SECURITY. When, in the judgment of the board of supervisors, any school lands held under section 302.1 are of such a character that a sale upon partial credit would be unsafe or incompatible with the interest of the permanent school fund, and especially in the case of timbered lands, the board of supervisors may ~~in-its-discretion enact-the-whole-of~~ require the entire purchase money in advance; or if ~~it the board~~ sells ~~such the~~ land upon a partial credit, ~~as-hereinbefore-prescribed,~~ it shall require good collateral security for the payment of the part upon which credit is given.

Sec. 13. Section 302.10, Code 1983, is amended to read as follows:

302.10 UNIFORM INTEREST DATE. ~~in-all-cases-where if~~ money is due to the permanent school fund, either for loans or deferred payments of the purchase price of land sold, the interest shall be made payable on the first day of January each year, and if the debtor fails to pay the interest within six months thereafter of the date it is due, the entire amount of both principal and interest shall become due, and the county auditor shall ~~make-a report thereof~~ the nonpayment to the county attorney, who shall immediately commence action for the collection of the amount reported ~~to-him as due,-and this.~~ This section is hereby-declared-to-be a part of any a contract made by virtue of this chapter, whether expressed therea in the contract or not.

Sec. 14. Section 302.11, Code 1983, is amended to read as follows:

302.11 SCHOOL FUND ACCOUNTS--AUDIT OF LOSSES. The state comptroller shall keep the permanent school fund accounts in books provided for that purpose, separate and distinct from the revenue books. The auditor of state shall audit ~~all~~ losses to the permanent school or university fund ~~which shall-have-been-occasioned~~ caused by the defalcation, mismanagement, or fraud of the agents or officers controlling and managing ~~the-same,-and-for-this-purpose the fund.~~ The auditor of state shall prescribe-such-regulations adopt rules for those officers as ~~may-be~~ necessary to ascertain ~~such the~~ losses.

Sec. 15. Section 302.15, Code 1983, is amended to read as follows:

302.15 MANAGEMENT. ~~All-property~~ Property and money hereafter accrued to the permanent school fund shall be managed and controlled by the state treasurer of state, and ~~he-shall be the treasurer of state~~ is responsible for the safekeeping, investment, reinvestment and disbursement of the ~~same~~ property and money.

Sec. 16. Section 302.16, Code 1983, is amended to read as follows:

302.16 ACTIONS. ~~All-actions~~ Actions for and in behalf of ~~and the~~ fund may be brought in the name of the state for the use of the permanent school fund, by the attorney general.

Sec. 17. Section 302.17, Code 1983, is amended to read as follows:

302.17 LIABILITY OF COUNTY. Each county ~~shall-be is~~ liable for ~~all~~ losses upon loans of the permanent school fund, principal or interest, made in ~~such the~~ county, unless the loss was not occasioned by reason of any a default of its officers or by taking insufficient or imperfect securities, or from a failure to bid at an execution sale the full amount of the judgment and costs.

Sec. 18. Section 302.19, Code 1983, is amended to read as follows:

302.19 LOANS. The permanent school fund shall be loaned out or invested by the state treasurer of state as it comes into ~~his~~ the treasurer's hands.

Sec. 19. Section 302.28, Code 1983, is amended to read as follows:

302.28 STATUTE OF LIMITATION. Lapse of time ~~shall in no case be~~ is not a bar to any action to recover any a part of the permanent school fund, ~~nor shall~~ and it does not prevent the introduction of evidence in ~~such~~ an action, except as provided in sections 614.29 to 614.38.

Sec. 20. Section 302.29, Code 1983, is amended to read as follows:

302.29 PAYMENTS. ~~All payments~~ Payments to the permanent school fund upon contracts, or loans of ~~any other~~ another nature, shall be made to the treasurer of the county upon a certificate from the auditor showing the amount due.

Sec. 21. Section 302.31, Code 1983, is amended to read as follows:

302.31 SCHOOL FUND ACCOUNT--SETTLEMENT. The auditor shall also keep ~~in his office,~~ in books to be provided for that purpose, an account to be known as the permanent school fund account, in which a memorandum of ~~all the~~ notes, mortgages, bonds, money, and assets ~~of every kind and description~~ which may come into ~~his~~ the auditor's hands and those of the treasurer shall be entered, and separate accounts of principal and interest be kept ~~and the~~. The county treasurer shall also keep a like an account and record of all school funds coming into ~~his~~ the county treasurer's hands. Settlements of ~~such the~~ account shall be made with the board of supervisors at its January and June sessions, ~~which and the~~ settlements shall be recorded with the proceedings of the board.

Sec. 22. Section 302.32, Code 1983, is amended to read as follows:

302.32 NOTICE OF DEFAULT. When outstanding contracts for the sale of school lands or notes for money of the permanent school fund loaned, or interest ~~thereon on the~~ permanent school fund, are due, the auditor shall by mail at once notify the debtor to make payment ~~thereof~~ within three months.

Sec. 23. Section 302.34, Code 1983, is amended to read as follows:

302.34 BID AT EXECUTION SALE. Upon a sale of lands under an execution founded upon a permanent school fund claim or right, the auditor shall bid ~~such a~~ sum as required by the interests of the fund require, and, if struck off to the state, it shall be thereafter treated ~~in all respects~~ the same as other lands belonging to ~~said~~ the fund.

Sec. 24. Section 302.35, Code 1983, is amended to read as follows:

302.35 SHERIFF'S DEED TO STATE. When lands have been bid in by the county for the state under foreclosure of permanent school fund mortgages and the time for redemption has expired, a sheriff's deed shall be issued to the state for the use and benefit of the permanent school fund. The county auditor shall file the ~~said~~ deed for record in the office of the county recorder who shall record the ~~same~~ deed without fee and return ~~the same~~ it when recorded to the county auditor who shall then forward ~~the same~~ it to the secretary of state. The secretary of state shall record the ~~said~~ deed ~~in his records~~ and then file ~~the same~~ it with the state comptroller.

Sec. 25. Section 302.38, Code 1983, is amended to read as follows:

302.38 EXCESS--LOSS BORNE BY COUNTY. Any An excess over the amount of the unpaid portion of the principal, costs of foreclosure, and interest on the principal ~~as above provided~~, shall inure to the county and be credited to the general county fund. If the lands ~~shall be~~ are sold for a less amount

than the unpaid portion of the principal, the loss shall be sustained by the county, and the board of supervisors shall at once order the amount of ~~such~~ the loss transferred from the general fund ~~or temporary school fund~~ of the county to the permanent school fund account.

Sec. 26. Section 302.39, Code 1983, is amended to read as follows:

302.39 REPORT AS TO SALES--INTEREST. County auditors shall report, on or before ~~the first day of~~ January 1 of each year, ~~report~~ to the state comptroller the amount of ~~all~~ the sales and resales made during the year previous year, of the ~~sixteenth section, five-hundred-thousand-acre grant, escheat estates, and lands taken under foreclosure of permanent school fund mortgages, and the state comptroller shall charge the same~~ them to the counties with interest from the date of such sale or resale to January 1, at the rate of three percent per annum.

Sec. 27. Section 302.42, Code 1983, is amended to read as follows:

302.42 REPORT AS TO RENTS. County By January 1 of each year, county auditors shall ~~upon the first day of January of each year,~~ report to the state comptroller the amount of rents collected during the preceding year on unsold school lands and lands taken under foreclosure of permanent school fund mortgages then in the hands of the county treasurer, and the state comptroller shall include the amount ~~so~~ reported in ~~his~~ the semiannual apportionment of interest.

Sec. 28. Section 302.44, Code 1983, is amended to read as follows:

302.44 PENALTY AGAINST COUNTY AUDITOR. Any A county auditor failing or neglecting to perform ~~any of the required duties which are required of him by the provisions of~~ under this chapter, ~~shall be~~ is liable to a penalty of not less than one hundred nor more than five hundred dollars, to be recovered in an action brought in the district court by the

board of supervisors, ~~the~~. The judgment to shall be entered against the party and ~~his~~ the party's bondsmen, and the ~~proceeds to go to the school fund shall be paid to the~~ treasurer of state for deposit in the general fund of the state.

Sec. 29. Section 331.502, subsection 50, Code 1983, is amended to read as follows:

50. ~~in the case of~~ For payment of a permanent school fund mortgage, acknowledge satisfaction of the mortgage by execution of a written instrument referring to the mortgage as provided in section 655.1.

Sec. 30. Section 331.509, subsection 1, paragraph o, Code 1983, is amended to read as follows:

o. The reports of magistrates and other officers, including forfeited recognizances in their offices, fines, penalties, forfeitures imposed in their respective courts, and forfeited appearance bonds in criminal cases, all of which are payable to the ~~county treasury for the benefit of the school fund~~ treasurer of state to be deposited in the general fund of the state.

Sec. 31. Section 331.552, subsection 11, Code 1983, is amended by striking the subsection.

Sec. 32. Section 331.552, subsection 20, Code 1983, is amended to read as follows:

20. Maintain a permanent school fund account and records of school funds received as provided in section 302.31.

Sec. 33. Section 360.3, Code 1983, is amended to read as follows:

360.3 TRANSFER OF FUND. When there are funds in the hands of any a township clerk, raised under ~~the provisions of~~ this chapter which are not desired for the purposes for which they were raised, the funds may be transferred to the school general fund of any a school district or districts pro rata ~~wherein~~ same was in which the funds were raised, when a petition is presented to the trustees, signed by a majority of the

qualified electors of ~~said~~ the township, as shown by the election register or registers of the last preceding primary or general election held in ~~said~~ the township-~~said~~. The transfer of funds to shall be made by the township clerk upon order of the trustees after the filing of ~~said~~ the petition with ~~said~~ the clerk.

Sec. 34. Section 442.3, Code 1983, is amended to read as follows:

442.3 STATE FOUNDATION BASE. The state foundation base for the school year beginning July 1, 1972, is seventy percent of the state cost per pupil. ~~For~~ Except as otherwise provided in this section, for each succeeding school year the state foundation base shall be increased by the amount of one percent of the state cost per pupil, up to a maximum of eighty percent of the state cost per pupil. However, for the school years beginning July 1, 1980, July 1, 1981, and July 1, 1982, the state foundation base shall be the same as the state foundation base for the school year beginning July 1, 1979. For the school year beginning July 1, 1984, the state foundation base is eighty percent of the state cost per pupil if the estimate of the ending fund balance of the state general fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985, as estimated by the state comptroller in January, 1984, is equal to or greater than thirty million dollars. The district foundation base is the larger of the state foundation base or the amount per pupil which the district will receive from foundation property tax and state school foundation aid.

Sec. 35. Section 442.4, Code 1983, is amended by adding the following new subsection after subsection 3:

NEW SUBSECTION. 3A. For the school year beginning July 1, 1984 and each subsequent school year, if a school district's basic enrollment for the budget year is larger than its budget enrollment for the budget year, the district shall use its basic enrollment for the budget year in lieu of its budget enrollment for the budget year for computations required in this chapter.

Sec. 36. Section 442.4, subsection 4, Code 1983, is amended by striking the subsection and inserting in lieu thereof the following:

4. For the school year beginning July 1, 1984 and each succeeding school year, if an amount equal to the district cost per pupil for the budget year minus the amount included in the district cost per pupil for the budget year to compensate for the cost of special education support services for a school district for the budget year times the budget enrollment of the school district for the budget year is less than one hundred two percent times an amount equal to the district cost per pupil for the base year minus the amount included in the district cost per pupil for the base year to compensate for the cost of special education support services for a school district for the base year times the budget enrollment for the school district for the base year, the state comptroller shall increase the budget enrollment for the school district for the budget year to a number which will provide that one hundred two percent amount.

Sec. 37. Section 442.7, subsection 5, Code 1983, is amended by striking the subsection and inserting in lieu thereof the following:

5. Notwithstanding subsections 1 through 4, for the school year beginning July 1, 1984, if the estimate of the ending fund balance of the state general fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985, as estimated by the state comptroller in January, 1984, is equal to or greater than thirty million dollars and the state foundation base increases to eighty percent pursuant to section 442.3, the state percent of growth, including the recomputations required under subsection 4, is six and two-tenths percent.

Sec. 38. Section 442.7, subsection 7, Code 1983, is amended by adding the following new paragraph:

NEW PARAGRAPH. For the budget school year beginning July 1, 1984, by adding to the basic allowable growth per pupil

for the budget year an amount not to exceed the amount of moneys received by a school district under section 302.3 during the school year beginning July 1, 1982 and ending June 30, 1983, as certified by the board of directors to the state comptroller.

Sec. 39. 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 and for programs for returning dropouts under this chapter and does not include additional allowable growth established by the school budget review committee for a single school year only.

Sec. 40. Section 442.8, unnumbered paragraph 2, Code 1983, is amended to read as follows:

However, for the budget years beginning July 1, 1980, July 1, 1982, ~~and July 1, 1983, and July 1, 1984~~, the state cost per pupil shall equal the base year's state cost per pupil plus the allowable growth for the budget year plus an adjustment to the state cost per pupil. For the budget years beginning July 1, 1980, July 1, 1982, ~~and July 1, 1983, and July 1, 1984~~, the adjustment to the state cost per pupil is twenty dollars per pupil, thirteen dollars per pupil, ~~and eight dollars per pupil, and eight dollars per pupil,~~ respectively.

Sec. 41. Section 442.26, unnumbered paragraph 2, Code 1983, is amended by striking the unnumbered paragraph and inserting in lieu thereof the following:

All state aids paid under this chapter, unless otherwise stated, shall be paid in monthly installments beginning on

September 15 of a budget year and ending on June 15 of the budget year and the installments shall be as nearly equal as possible as determined by the state comptroller, taking into consideration the relative budget and cash position of the state resources. However, the state aids paid to school districts under section 442.28 shall be paid in monthly installments beginning on December 15 and ending on June 15 of a budget year and state aids paid to school districts under section 442.38 shall be paid in monthly installments beginning on February 15 and ending on June 15 of a budget year.

Sec. 42. Section 442.39, unnumbered paragraph 1, Code 1983, is amended to read as follows:

In order to provide additional funds for school districts which send their resident pupils to another school district or to an area school for classes, which jointly employ and share the services of teachers under section 280.15, or which use the services of a teacher employed by another school district, a supplementary weighting plan for determining enrollment is adopted as follows:

Sec. 43. Section 442.39, subsection 2, Code 1983, is amended to read as follows:

2. Pupils attending classes in another school district or an area school, attending classes taught by a teacher who is employed jointly under section 280.15, or attending classes taught by a teacher who is employed by another school district, are assigned a weighting of one plus one-tenth times the percent of the pupil's school day during which the pupil attends classes in another district or area school, attends classes taught by a teacher who is jointly employed under section 280.15, or attends classes taught by a teacher who is employed by another school district.

Sec. 44. NEW SECTION. 442.45 PROGRAMS FOR RETURNING DROPOUTS. For the school year beginning July 1, 1984 and succeeding school years, boards of school districts, individually or jointly with boards of other school districts,

requesting to use additional allowable growth for programs for returning dropouts, may annually submit comprehensive program plans for the programs and budget costs, including requests for additional allowable growth for funding the programs, to the department of public instruction as provided in this chapter. In addition to the requirements for program plans listed in section 442.32, the program plans shall include:

1. A provision for dropout prevention and integration of dropouts into the educational program of the district.
2. A provision for identifying dropouts.
3. A program for returning dropouts.

Program plans for dropouts shall identify the parts of the plan that will be implemented first upon approval of the application. If a district is requesting to use additional allowable growth to finance the program, it shall not identify more than five percent of its budget enrollment for the budget year as returning dropouts.

Sec. 45. NEW SECTION. 442.46 DEFINED. "Returning dropouts" are resident pupils who have been enrolled in a public or nonpublic school in any of grades seven through twelve who withdrew from school for a reason other than transfer to another school or school district and who subsequently enrolled in public school in the district.

Sec. 46. NEW SECTION. 442.47 PLANS FOR RETURNING DROPOUTS. The board of directors of a school district requesting to use additional allowable growth for programs for returning dropouts shall submit applications for approval for the programs to the department not later than November 1 preceding the fiscal year during which the program will be offered. The department shall review the program plans and shall prior to January 15 either grant approval for the program or return the request for approval with comments of the department included. An unapproved request for a program may be resubmitted with modifications to the department not

later than February 1. Not later than February 15, the department shall notify the state comptroller and the school budget review committee of the names of the school districts for which the programs using additional allowable growth for funding have been approved and the approved budget of each program listed separately for each school district having an approved program.

Sec. 47. NEW SECTION. 442.48 FUNDING FOR PROGRAMS FOR RETURNING DROPOUTS. The budget of an approved program for returning dropouts for a school district, after subtracting funds received from other sources for that purpose, shall be funded annually on a basis of one-fourth or more from the district cost of the school district and up to three-fourths by an increase in allowable growth as defined in section 442.7. Annually, the state comptroller shall establish a modified allowable growth for each such district equal to the difference between the approved budget for the program for returning dropouts for that district and the sum of the amount funded from the district cost of the school district plus funds received from other sources.

Sec. 48. Section 508.15, Code 1983, is amended to read as follows:

508.15 VIOLATION BY FOREIGN COMPANY. Companies organized and chartered by the laws of a foreign state or country, failing to file the evidence of investment and statement within the time fixed, shall forfeit and pay the sum of three hundred dollars, to be collected in an action in the name of the state ~~for the use of the school fund~~ and paid to the treasurer of state for deposit in the general fund of the state, and their right to transact further new business in this state shall immediately cease until the requirements of this chapter have been fully complied with.

Sec. 49. Section 511.7, Code 1983, is amended to read as follows:

511.7 RECOVERY OF PENALTIES. Actions brought to recover any of the penalties provided for in this chapter shall be instituted in the name of the state by the county attorney of the county, under the direction and authority of the commissioner of insurance, and may be brought in the district court of any county in which the company or association proceeded against is engaged in the transaction of business, or in which the offending person resides, if it is against ~~him~~ the person. The penalties, when recovered, shall be paid ~~into the state treasury for the use of the school fund to the treasurer of state for deposit in the general fund of the state.~~

Sec. 50. Section 515.93, Code 1983, is amended to read as follows:

515.93 VIOLATIONS. Any ~~A~~ violation of ~~the provisions~~ of sections 515.91 and 515.92 shall for the first offense subject the company, association, or individual guilty thereof to a penalty of five hundred dollars, to be recovered in the name of the state, with costs, in an action instituted by the county attorney, either in the county in which the company, association, or individual is located or transacts business, or in the county where the offense is committed, and ~~such~~ the penalty, when recovered, shall be paid ~~into the school fund of the county in which action is brought to the treasurer of state for deposit in the general fund of the state.~~ Every subsequent violation of ~~said~~ the sections ~~shall subject~~ subjects the company, association, or individual to a penalty of one thousand dollars, to be sued for, recovered, and disposed of in like manner.

Sec. 51. Section 534.12, subsection 4, Code 1983, is amended to read as follows:

4. REDEMPTION. ~~At any time~~ When funds are on hand for the purpose, the association ~~shall have the right to~~ may redeem by lot or otherwise, as the board of directors ~~may determine~~ determines, all or any part of any of its savings

accounts on a dividend date by giving thirty days' notice by registered mail addressed to the account holders at their last addresses recorded on the books of the association. An association shall not redeem ~~any of~~ its share accounts when the association is in an impaired condition or when it has applications for withdrawal which have been on file more than thirty days and have not been reached for payment. The redemption price of a savings account shall be the full value of the account redeemed, as determined by the board of directors, but ~~in no event shall~~ the redemption value shall not be less than the withdrawal value. If the notice of redemption has been given, and if on or before the redemption date the funds necessary for the redemption have been set aside ~~so as to be and continue to be available~~ for redemptions, dividends upon the accounts called for redemption shall cease to accrue from and after the dividend date specified as the redemption date, and ~~all~~ rights with respect to those accounts ~~shall~~ terminate as of the redemption date, subject only to the right of the account holder of record to receive the redemption value without interest. ~~All savings~~ Savings accounts which have been validly called for redemption must be tendered for payment within ten years from the date of redemption designated in the redemption notice, or they shall be canceled and ~~forfeited for the use of the school fund of the county in which the association has its principal place of business~~ paid to the treasurer of state for deposit in the general fund of the state and all claims of the account holders against the association ~~shall be~~ are barred forever. Redemption shall not be made of any savings accounts which are held by a person who is a director and which are necessary to qualify the person to act as director.

Sec. 52. Section 535.5, Code 1983, is amended to read as follows:

535.5 PENALTY FOR USURY. If it ~~shall be~~ is ascertained in ~~any~~ an action brought on ~~any~~ a contract that a rate of

interest has been contracted for, directly or indirectly, in money or in property, greater than is authorized by this chapter, the ~~same rate~~ shall work a forfeiture of eight cents on the hundred by the year upon the amount of the principal remaining unpaid upon ~~such the~~ contract at the time judgment is rendered ~~thereon~~, and the court shall enter final judgment in favor of the plaintiff and against the defendant for the principal sum ~~so~~ remaining unpaid without costs, and also against the defendant and in favor of the state, ~~for-the-use of-the-school-fund-of-the-county-in-which-the-action-is-brought to be paid to the treasurer of state for deposit in the general fund of the state,~~ for the amount of the forfeiture, ~~and-in no-case-where.~~ If unlawful interest is contracted for ~~shall~~ the plaintiff shall not have judgment for more than the principal sum, whether the unlawful interest ~~be is~~ incorporated with the principal or not.

Sec. 53. Section 586.1, subsection 4, Code 1983, is amended to read as follows:

4. Acknowledgments of deeds, mortgages, permanent school fund mortgages and contracts taken and certified before 1970 by any county auditor, deputy county auditor, or deputy clerk of the district court although such officer was not authorized to take ~~such the~~ acknowledgments at the time they were taken.

Sec. 54. Section 595.11, Code 1983, is amended to read as follows:

595.11 NONSTATUTORY SOLEMNIZATION--FORFEITURE. Marriages solemnized, with the consent of parties, in any ~~other~~ manner other than as herein that prescribed in this chapter, are valid; but the parties ~~thereto~~, and all persons aiding or abetting them, shall ~~forfeit-to-the-school~~ pay to the treasurer of state for deposit in the general fund of the state the sum of fifty dollars each; but this shall not apply to the person conducting the marriage ceremony, if within fifteen days thereafter he the person makes the required return to the clerk of the district court.

Sec. 55. Section 602.55, Code 1983, is amended to read as follows:

602.55 FUNDS, REPORTS. Each month each judicial magistrate and district associate judge shall file with the clerk of the district court of the proper county a sworn, itemized statement of all cases disposed of and all funds received and disbursed per case, and at least monthly shall remit to the clerk all funds received. The clerk shall provide adequate clerical assistance to judicial magistrates and district associate judges to carry out this section. The clerk shall remit ninety percent of all fines and forfeited bail received from a magistrate or district associate judge to the city that was the plaintiff in any action, shall remit to the city ninety percent of all fines and forfeited bail received for improper use of handicapped parking spaces in violation of section 601E.6, subsection 2, when the violations occurred within the city, shall remit all fines and forfeited bail received from a magistrate or district associate judge for violation of a county ordinance except an ordinance relating to vehicle speed or weight restrictions, to the county treasurer of the county that was the plaintiff in any action for deposit in the general fund of the county, and shall provide that city or county with a statement showing the total number of the cases, the total of all fines and forfeited bail collected and the total of all cases dismissed. However, if a county ordinance provides a penalty for a violation which is also penalized under state law, all fines and forfeited bail collected for the violation of that ordinance shall be deposited paid to the treasurer of state for deposit in the school general fund of the state. The clerk shall remit the remaining ten percent of city fines and forfeited bail to the county treasurer for deposit in the county general fund. The clerk shall remit to the treasurer of ~~the-county state,~~ for the-benefit-of-the-school deposit in the general fund of the state, all other fines and forfeited bail received

from a magistrate. All fees and costs for the filing of a complaint or information or upon forfeiture of bail received from a magistrate shall be remitted monthly by the clerk as follows:

1. One-half to the treasurer of state to be credited to the general fund of the state.
2. One-third to the county treasurer to be credited to the general fund of the county.
3. One-sixth to the treasurer of state to be credited to the judicial retirement fund created in section 605A.4.

Sec. 56. Section 633.545, Code 1983, is amended to read as follows:

633.545 SALE--PROCEEDS. If within six months from the giving of such notice, ~~no~~ a claimant ~~thereof appears, such does not appear,~~ the property may be sold and the proceeds paid over by the personal representative to the state comptroller for the benefit of the permanent school fund.

Sec. 57. Section 644.15, Code 1983, is amended to read as follows:

644.15 PROCEEDS--FORFEITURE. The net proceeds of ~~all~~ sales made by the sheriff, and ~~all~~ money or bank notes paid over to the county treasurer, as directed in this chapter, shall remain in the hands of the county treasurer in trust for the owner, if any such shall apply the owner applies within one year from the time the ~~same shall~~ proceeds, moneys, or bank notes would have been paid over, but, However, if no owner ~~shall appear~~ appears within ~~such that~~ time, the money proceeds, moneys, or bank notes shall be forfeited, and the claim of the owner ~~thereto is~~ forever barred, in which event the money shall ~~remain in the county treasury for the use of the common schools in said county be paid to the treasurer of state for deposit in the general fund of the state.~~

Sec. 58. Section 666.3, Code 1983, is amended to read as follows:

666.3 FINES AND FORFEITURES. ~~All fines~~ Fines and forfeitures, after deducting ~~therefrom~~ court costs, court expenses collectible through the clerk of the court, and fees of collection, if any, and not otherwise disposed of, shall ~~go into the treasury of the county where the same are collected for the benefit of the school fund be paid to the treasurer of state for deposit in the general fund of the state.~~

Sec. 59. Section 666.6, unnumbered paragraph 1, Code 1983, is amended to read as follows:

The Not later than January 15 of each year, the clerk of district court shall make an annual report in writing to the ~~board of supervisors at the first regular meeting of the board in January~~ treasurer of state of all forfeited recognizances in the clerk's office; of all fines, penalties, and forfeitures imposed in the district court, which by law ~~go into the county treasury for the benefit of the school fund~~ are paid to the treasurer of state for deposit in the general fund of the state; in what cause or proceeding, when and for what purpose, against whom and for what amount, rendered; whether the fines, penalties, forfeitures, and recognizances have been paid, remitted, canceled, or otherwise satisfied; if so, when, how, and in what manner, and if not paid, remitted, canceled, or otherwise satisfied, what steps have been taken to enforce the collection of the fines, penalties, forfeitures and recognizances. However, the report shall only contain information not already reported on a monthly basis.

Sec. 60. Notwithstanding section 442.7, subsection 7, paragraph a, if the state cost per pupil for the budget year beginning July 1, 1984 exceeds the district cost per pupil for the budget year beginning July 1, 1984, the basic allowable growth per pupil for the budget year shall equal one hundred percent of the product of the state cost per pupil for the base year times the state percent of growth for the budget year.

Sec. 61. Sections 127.22, 302.3, and 302.24, Code 1983, are repealed.

Sec. 62. Sections 4 through 8 and section 41 of this Act take effect July 1, 1983. Sections 1, 2, 3, 9 through 33, and 48 through 59 and 61 take effect July 1, 1984. The remaining sections of this Act take effect July 1, 1983 for computations required for payment of state aid and levying of property taxes under the state school foundation program for the school year beginning July 1, 1984.

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 562, Seventieth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved June 8, 1983

TERRY E. BRANSTAD
Governor