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HOUSE FILE 499

BY COMMITTEE ON EDUCATION

(Formerly House Study Bill 112)
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Passed House, Date 3-25-87 (p. 845) Passed Senate, Date 4-16-87 (p. 1375)

Vote: Ayes 87 Nays 12 Vote: Ayes 40 Nays 9

Approved June 9, 1987

A BILL FOR

1 An Act relating to education including salary increases,
 2 efficiencies, and education enhancement, relating to the
 3 establishment of an educational excellence program consisting
 4 of three phases relating to the recruitment of quality
 5 teachers, the retention of quality teachers, and the
 6 enhancement of the quality and effectiveness of teachers;
 7 collective bargaining; activities of the state board of
 8 education relating to the accreditation process; duration of a
 9 superintendent's contract; open enrollment of pupils in
 10 contiguous school districts; postsecondary enrollment options
 11 for certain high school students; redrawing boundary lines of
 12 area education agencies; plans for redrawing boundary lines of
 13 merged area schools; majority vote for school district bond
 14 issues under certain conditions; date of the organizational
 15 meeting of school corporations; annual publication of
 16 financial statements; sharing interscholastic activity
 17 programs; adoption of student achievement goals; provision for
 18 intercollegiate athletic activities at merged area schools;
 19 procedure for adoption of whole grade sharing; calculation of
 20 enrollment of school districts; establishment of a
 21 transportation foundation formula; inclusion of principals in
 22 supplementary weighting; to provide appropriations; and
 23 provide effective dates.

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

HF 499

1 DIVISION I
2 EDUCATIONAL EXCELLENCE PROGRAM
3 Section 1. NEW SECTION. 294A.1 EDUCATIONAL EXCELLENCE
4 PROGRAM.

5 The purpose of this chapter is to promote excellence in
6 education. In order to maintain and advance the educational
7 excellence in the state of Iowa, this chapter establishes the
8 Iowa educational excellence program. The program shall
9 consist of three major phases addressing the following:

- 10 1. Phase I -- The recruitment of quality teachers.
- 11 2. Phase II -- The retention of quality teachers.
- 12 3. Phase III -- The enhancement of the quality and
13 effectiveness of teachers through the utilization of
14 performance pay.

15 Sec. 2. NEW SECTION. 294A.2 DEFINITIONS.

16 For the purposes of this chapter:

17 1. "Teacher" means an individual holding a teaching
18 certificate issued under chapter 260, letter of authorization,
19 or a statement of professional recognition issued by the board
20 of educational examiners who is employed in a
21 nonadministrative position by a school district or area
22 education agency pursuant to a contract issued by a board of
23 directors under section 279.13. A teacher may be employed in
24 both an administrative and a nonadministrative position by a
25 board of directors and shall be considered a part-time teacher
26 for the portion of time that the teacher is employed in a
27 nonadministrative position.

28 2. "Teacher's regular compensation" means the annual
29 salary specified in a teacher's contract pursuant to the
30 salary schedule adopted by the board of directors or
31 negotiated under chapter 20. It does not include pay earned
32 by a teacher for performance of additional noninstructional
33 duties and does not include the costs of the employer's share
34 of fringe benefits.

35 3. "Certified enrollment in a school district" for the

1 school years beginning July 1, 1987 and July 1, 1988, means
2 that district's basic enrollment for the budget year beginning
3 July 1, 1987 as defined in section 442.4. For each school
4 year thereafter, certified enrollment in a school district
5 means that district's basic enrollment for the budget year.

6 4. "Enrollment served" for the fiscal years beginning July
7 1, 1987 and July 1, 1988, means that area education agency's
8 enrollment served for the budget year beginning July 1, 1987.
9 For each school year thereafter, enrollment served means that
10 area education agency's enrollment served for the budget year.
11 Enrollment served shall be determined under section 442.27,
12 subsection 12.

13 5. "Specialized training requirements" means requirements
14 prescribed by a board of directors to meet specific needs of
15 the school district identified by the board of directors that
16 provide for the acquisition of clearly defined skills through
17 formal or informal education that are beyond the requirements
18 necessary for initial certification under chapter 260.

19 6. "General training requirements" means requirements
20 prescribed by a board of directors that provide for the
21 acquisition of additional semester hours of graduate credit
22 from an institution of higher education approved by the board
23 of educational examiners or the completion of staff
24 development activities approved by the department of education
25 for renewal of certificates issued under chapter 260.

26 Sec. 3. NEW SECTION. 294A.3 EDUCATIONAL EXCELLENCE FUND.
27 An educational excellence fund is established in the office
28 of treasurer of state to be administered by the department of
29 education. Moneys in the fund shall be paid to school
30 districts and area education agencies pursuant to the
31 requirements of this chapter and shall be expended only to pay
32 for increases in the regular compensation of teachers and
33 other salary increases for teachers, to pay the costs of the
34 employer's share of federal social security and Iowa public
35 employees' retirement system payments on the salary increases,

1 and to pay costs associated with providing specialized or
2 general training. Moneys received by school districts and
3 area education agencies shall not be used for pay earned by a
4 teacher for performance of additional noninstructional duties.

5 Annually beginning July 1, 1987, there is appropriated from
6 the general fund of the state to the department of education
7 for deposit in the educational excellence fund the following
8 amounts:

- 9 1. For phase I, nine million (9,000,000) dollars.
- 10 2. For phase II, thirty-eight million five hundred
11 thousand (38,500,000) dollars.
- 12 3. For phase III, fifty million (50,000,000) dollars.

13 DIVISION II

14 PHASE I

15 Sec. 4. NEW SECTION. 294A.4 GOAL.

16 The goal of phase I is to provide for establishment of pay
17 plans incorporating sufficient annual compensation to attract
18 quality teachers to Iowa's public school system. This is
19 accomplished by increasing the minimum salary. A beginning
20 salary which is competitive with salaries paid to other
21 professionals will provide incentive for top quality
22 individuals to enter the teaching profession.

23 Sec. 5. NEW SECTION. 294A.5 MINIMUM SALARY SUPPLEMENT.

24 For the school year beginning July 1, 1987 and succeeding
25 school years, the minimum annual salary paid to a full-time
26 teacher as regular compensation shall be eighteen thousand
27 dollars.

28 For the school year beginning July 1, 1987 for phase I,
29 each school district and area education agency shall certify
30 to the department of education the names of all teachers
31 employed by the district or area education agency whose
32 regular compensation is less than eighteen thousand dollars
33 per year and the amounts needed as minimum salary supplements.
34 The minimum salary supplement for each eligible teacher is the
35 total of the difference between eighteen thousand dollars and

1 the teacher's regular compensation plus the amount required to
2 pay the employer's share of the federal social security and
3 Iowa public employees' retirement system payments on the
4 additional salary moneys.

5 The board of directors shall report the salaries of
6 teachers employed on less than a full-time equivalent basis,
7 and the amount of minimum salary supplement shall be prorated.

8 Sec. 6. NEW SECTION. 294A.6 PAYMENTS.

9 For the school year beginning July 1, 1987, the department
10 of education shall notify the department of revenue and
11 finance of the total minimum salary supplement to be paid to
12 each school district and area education agency under phase I.
13 The amount of the total minimum salary supplement paid to a
14 school district or area education agency for the school year
15 beginning July 1, 1987 shall be paid to that school district
16 or area education agency in succeeding school years from
17 moneys appropriated in section 294A.3, except as otherwise
18 provided in this section, and shall be used to increase
19 teacher salaries. The department of revenue and finance shall
20 pay the total minimum salary supplement moneys from moneys
21 appropriated for that purpose in the educational excellence
22 fund.

23 For the school year beginning July 1, 1989, and each
24 succeeding school year, if a school district or area education
25 agency reduces the number of full-time equivalent teachers
26 below the number of full-time equivalent teachers employed
27 during the school year beginning July 1, 1987, upon which
28 phase I funding is based, the department of revenue and
29 finance shall reduce the payment to the school district by the
30 average amount paid as a minimum salary supplement to a full-
31 time equivalent teacher for each reduction of a full-time
32 equivalent teacher.

33 If the moneys appropriated for phase I in section 294A.3,
34 subsection 1, are either insufficient or moneys remain after
35 payments are made for a fiscal year, moneys shall be

1 transferred from or added to the moneys appropriated for phase
2 III.

3 Sec. 7. NEW SECTION. 294A.7 REVIEW.

4 The department of education shall prepare a report to be
5 submitted to the governor and the general assembly not later
6 than October 1, 1988 that lists the phase I money received by
7 each school district and area education agency and the salary
8 schedule changes that have occurred. The report shall contain
9 recommendations incorporating the phase I funding into the
10 school aid formula.

11 DIVISION III

12 PHASE II

13 Sec. 8. NEW SECTION. 294A.8 GOAL.

14 The goal of phase II is to keep Iowa's best educators in
15 the profession and assist in their development by providing
16 general salary increases.

17 Sec. 9. NEW SECTION. 294A.9 PHASE II PROGRAM.

18 Phase II is established to improve the salaries of
19 teachers. For the fiscal years beginning July 1, 1987 and
20 July 1, 1988, the department of education shall allocate to
21 each school district for the purpose of implementing phase II
22 an amount equal to seventy-five dollars and ninety-three cents
23 multiplied by the district's certified enrollment. For fiscal
24 years thereafter, the department of education shall adjust the
25 amount for each student enrolled to correspond to the changes
26 in certified enrollment in the state and the moneys
27 appropriated for phase II.

28 For the fiscal years beginning July 1, 1987 and July 1,
29 1988, the department of education shall allocate to each area
30 education agency for the purpose of implementing phase II an
31 amount equal to three dollars and fifty-five cents multiplied
32 by the enrollment served in the area education agency. For
33 fiscal years thereafter, the department of education shall
34 adjust the amount for each student served to correspond to the
35 changes in enrollment served in the state and the moneys

1 appropriated for phase II.

2 The department of education shall certify the amounts of
3 the allocations to the department of revenue and finance and
4 the department of revenue and finance shall make the payments
5 to school districts and area education agencies.

6 If a school district has discontinued grades under section
7 282.7, subsection 1, or students attend school in another
8 school district, under an agreement with the board of the
9 other school district, the board of directors of the district
10 of residence shall transmit the phase II moneys allocated to
11 the district for those students based upon the full-time
12 equivalent attendance of those students to the board of the
13 school district of attendance of the students.

14 If a school district uses teachers under a contract between
15 the district and the area education agency in which the
16 district is located, the school district shall transmit to the
17 employing area education agency a portion of its phase II
18 allocation based upon the portion that the salaries of
19 teachers employed by the area education agency and assigned to
20 the school district for a school year bears to the total
21 teacher salaries paid in the district for that school year,
22 including the salaries of the teachers employed by the area
23 education agency.

24 If the school district or area education agency is
25 organized under chapter 20 for collective bargaining purposes,
26 the board of directors and certified bargaining representative
27 for the certificated employees shall mutually agree upon a
28 formula for distributing the phase II allocation among the
29 teachers. For the school year beginning July 1, 1987 only,
30 the parties shall follow the procedures specified in chapter
31 20 except that if the parties reach an impasse, neither
32 impasse procedures agreed to by the parties nor sections 20.20
33 through 20.22 shall apply and the phase II allocation shall be
34 divided as provided in section 294A.10. Negotiations under
35 this section are subject to the scope of negotiations

1 specified in section 20.9. If a board of directors and
2 certified bargaining representative for certificated employees
3 have not reached mutual agreement by June 15, 1987 for the
4 distribution of the phase II payment, section 294A.10 will
5 apply.

6 If the school district or area education agency is not
7 organized for collective bargaining purposes, the board of
8 directors shall determine the method of distribution.

9 Sec. 10. NEW SECTION. 294A.10 FAILURE TO AGREE ON
10 DISTRIBUTION.

11 For the school year beginning July 1, 1987 only, if the
12 board of directors and certified bargaining representative for
13 the certificated employees have not reached agreement under
14 section 294A.9, the board of directors shall divide the
15 payment among the teachers employed by the district or area
16 education agency as follows:

17 1. All full-time teachers whose regular compensation is
18 equal to or more than eighteen thousand dollars per year will
19 receive an equal amount from the phase II allocation.

20 2. A teacher who will receive a minimum salary supplement
21 under section 294A.9 will receive moneys equal to the
22 difference between the amount from the phase II allocation and
23 the minimum salary supplement paid to that teacher.

24 3. The amount from the phase II allocation will be
25 prorated for a teacher employed on less than a full-time
26 basis.

27 4. An amount from the phase II allocation includes the
28 amount required to pay the employers' share of the federal
29 social security and Iowa public employees' retirement system
30 payments on the additional salary.

31 Sec. 11. NEW SECTION. 294A.11 REPORTS.

32 By August 15, 1987, each school district and area education
33 agency shall file a report with the department of education,
34 on forms provided by the department of education, specifying
35 the method used to distribute the phase II allocation.

1 Reports filed by area education agencies shall include a
2 description of the method used to distribute phase II
3 allocations to teachers employed by the area education agency
4 working under contract in a school district.

5 DIVISION IV

6 PHASE III

7 Sec. 12. NEW SECTION. 294A.12 GOAL.

8 The goal of phase III is to enhance the quality,
9 effectiveness, and performance of Iowa's teachers by promoting
10 teacher excellence and to promote student achievement. This
11 will be accomplished through the development of performance-
12 based pay plans and supplemental pay plans requiring
13 additional instructional work assignments which may include
14 specialized training or differential training, or both.

15 Sec. 13. NEW SECTION. 294A.13 PHASE III PROGRAM.

16 For the school year beginning July 1, 1987 and succeeding
17 school years, each school district and area education agency
18 that meet the requirements of this section are eligible to
19 receive moneys for the implementation under phase III of a
20 performance-based pay plan or supplemental pay plan, or a
21 combination of the two. In order to be eligible to receive
22 phase III moneys, the board of directors of a school district
23 and area education agency shall submit evidence to the
24 department of education that the contracts offered to its
25 teachers for a year require that the teacher complete at least
26 one hundred ninety working days during that year. Working
27 days added to the contract in excess of the number of working
28 days required for teachers during the school year commencing
29 July 1, 1986 to meet the one hundred ninety day requirement
30 shall not require the teacher to teach students additional
31 days. Moneys appropriated for phase III may be used to
32 reimburse teachers for additional contract days required under
33 this section.

34 Sec. 14. NEW SECTION. 294A.14 PHASE III PAYMENTS.

35 Annually, the payments for an approved plan for a school

1 district are equal to the product of a district's certified
2 enrollment and ninety-eight dollars and sixty-three cents.
3 Annually, the payments for an approved plan for an area
4 education agency are equal to the product of an area education
5 agency's enrollment served and four dollars and sixty cents.
6 However, the department of education shall adjust the amount
7 for each student enrolled to correspond to changes in the
8 certified enrollment and enrollment served, and the moneys
9 available for phase III, when the moneys available are either
10 more or less than the moneys appropriated for phase III in
11 section 294A.3.

12 If a school district has discontinued grades under section
13 282.7, subsection 1, or students attend school in another
14 school district, under an agreement with the board of the
15 other school district, the board of directors of the district
16 of residence shall transmit the phase III moneys allocated to
17 the district for those students based upon the full-time
18 equivalent attendance of those students to the board of the
19 school district of attendance of the students.

20 A plan shall be developed using the procedure specified
21 under section 294A.15. The plan shall provide for the
22 establishment of a performance-based pay plan, a supplemental
23 pay plan, or a combination of the two pay plans and shall
24 include a budget for the cost of implementing the plan. In
25 addition to the costs of providing additional salary for
26 teachers and the amount required to pay the employers' share
27 of the federal social security and Iowa public employees'
28 retirement system payments on the additional salary, the
29 budget may include costs associated with providing specialized
30 or general training. Moneys received under phase III shall
31 not be used to employ additional employees of a school
32 district. However, all teachers employed are eligible to
33 receive additional salary under an approved plan.

34 For the purpose of this section, a performance-based pay
35 plan shall provide for salary increases for teachers who

1 demonstrate superior performance in completing assigned
2 duties. The plan shall include the method used to determine
3 superior performance of a teacher. For school districts, the
4 plan may include assessments of specific teaching behavior,
5 assessments of student performance, assessments of other
6 characteristics associated with effective teaching, or a
7 combination of these criteria.

8 For school districts, a performance-based pay plan may
9 provide for additional salary for individual teachers or for
10 additional salary for all teachers assigned to an attendance
11 center. For area education agencies, a performance-based pay
12 plan may provide for additional salary for individual teachers
13 or for additional salary for all teachers assigned to a
14 specific discipline within an area education agency. If the
15 plan provides additional salary for all teachers assigned to
16 an attendance center, or specific discipline, the receipt of
17 additional salary by those teachers shall be determined on the
18 basis of whether that attendance center or specific
19 discipline, meets specific objectives adopted for that
20 attendance center, or specific discipline. For school
21 districts, the objectives may include, but are not limited to,
22 decreasing the dropout rate, increasing the attendance rate,
23 or accelerating the achievement growth of students enrolled in
24 that attendance center.

25 If a performance-based pay plan provides additional salary
26 for individual teachers:

27 1. The plan may provide for salary moneys in addition to
28 the existing salary schedule of the school district or area
29 education agency and may require the participation by the
30 teacher in specialized training requirements.

31 2. The plan may provide for salary moneys by replacing the
32 existing salary schedule or as an option to the existing
33 salary schedule and may include specialized training
34 requirements, general training requirements, and experience
35 requirements.

1 For the purpose of this section, a supplemental pay plan in
2 a school district shall provide for the payment of additional
3 salary to teachers who participate in either additional
4 instructional work assignments or specialized training during
5 the regular school day or during an extended school day,
6 school week, or school year. A supplemental pay plan in an
7 area education agency shall provide for the payment of
8 additional salary to teachers who participate in either
9 additional work assignments or improvement of instruction
10 activities with school districts during the regular school day
11 or during an extended school day, school week, or school year.

12 For school districts, additional instructional work
13 assignments may include but are not limited to general
14 curriculum planning and development, vertical articulation of
15 curriculum, horizontal curriculum coordination, development of
16 educational measurement practices for the school district,
17 development of plans for assisting beginning teachers during
18 their first year of teaching, attendance at summer staff
19 development programs, development of staff development
20 programs for other teachers to be presented during the school
21 year, and other plans locally determined in the manner
22 specified in section 294A.15 and approved by the department of
23 education under section 294A.16 that are of equal importance
24 or more appropriately meet the educational needs of the school
25 district.

26 For area education agencies, additional instructional work
27 assignments may include but are not limited to providing
28 assistance and support to school districts in general
29 curriculum planning and development, providing assistance to
30 school districts in vertical articulation of curriculum and
31 horizontal curriculum coordination, development of educational
32 measurement practices for school districts in the area
33 education agency, development of plans for assisting beginning
34 teachers during their first year of teaching, attendance or
35 instruction at summer staff development programs, development

1 of staff development programs for school district teachers to
2 be presented during the school year, and other plans
3 determined in the manner specified in section 294A.15 and
4 approved by the department of education under section 294A.16
5 that are of equal importance or more appropriately meet the
6 educational needs of the area education agency.

7 Sec. 15. NEW SECTION. 294A.15 DEVELOPMENT OF PLAN.

8 The board of directors of a school district desiring to
9 receive moneys under phase III shall appoint a committee
10 consisting of representatives of school administrators,
11 teachers, parents, students, and other individuals interested
12 in the public schools of the school district to develop a
13 proposal. The board of directors of an area education agency
14 desiring to receive moneys under phase III shall appoint a
15 committee of similar membership to develop a proposal. If the
16 school district or area education agency is organized under
17 chapter 20 for collective bargaining purposes, the board shall
18 provide that one of the teacher members of the committee is an
19 individual selected by the certified bargaining representative
20 for certificated employees of the district or area education
21 agency. The proposal developed by the committee shall be
22 submitted to the board of directors of the school district or
23 area education agency prior to its submission to the
24 department of education. For the school year beginning July
25 1, 1987, if the school district or area education agency is
26 organized for collective bargaining purposes under chapter 20,
27 the portions of the proposed plan that are within the scope of
28 negotiations specified in section 20.9 require the mutual
29 agreement by January 1, 1988 of both the board of directors of
30 the school district or area education agency and the certified
31 bargaining representative for the certificated employees. In
32 succeeding years, if the school district or area education
33 agency is organized for collective bargaining purposes, the
34 portions of the proposed plan that are within the scope of the
35 negotiations specified in section 20.9 are subject to chapter

1 20.

2 Nothing in this chapter shall be construed to expand or
3 restrict the scope of negotiations in section 20.9.

4 Sec. 16. NEW SECTION. 294A.16 SUBMISSION OF PLAN.

5 A plan shall be submitted by the board of directors of a
6 school district or area education agency to the department of
7 education not later than July 1 of a school year for that
8 school year. Amendments to multiple year plans may be
9 submitted annually.

10 If a school district uses teachers under a contract between
11 the district and the area education agency in which the
12 district is located, the school district shall make provision
13 for those teachers under phase III.

14 The department of education shall review each plan and
15 notify the department of management of the names of school
16 districts and area education agencies with approved plans.

17 However, for the school year beginning July 1, 1987, a
18 board of directors may submit a proposed plan not later than
19 January 1, 1988, and the department of education shall notify
20 the department of revenue and finance not later than February
21 1, 1988 of the plans approved by the department. Moneys
22 allocated to a school district or area education agency for an
23 approved phase III plan for a school year but not expended
24 during that school year shall revert to the general fund of
25 the state as provided in section 8.33.

26 Sec. 17. NEW SECTION. 294A.17 REPORT.

27 Each school district and area education agency receiving
28 moneys for phase III during a school year shall file a report
29 with the department of education by July 1 of the next
30 following school year. The report shall describe the plan,
31 its implementation, and the expenditures made under the plan
32 including the salary increases paid to each eligible employee.
33 The report may include any proposed amendments to the plan for
34 the next following school year.

35 Sec. 18. NEW SECTION. 294A.18 REVERSION OF MONEYS.

1 Any portion of moneys appropriated to the educational
2 excellence trust fund for phase III for a fiscal year not
3 expended by school districts and area education agencies
4 during that fiscal year revert to the general fund of the
5 state as provided in section 8.33.

6 DIVISION V

7 GENERAL PROVISIONS

8 Sec. 19. NEW SECTION. 294A.19 RULES.

9 The state board of education shall adopt rules under
10 chapter 17A for the administration of this chapter.

11 Sec. 20. NEW SECTION. 294A.20 PAYMENTS.

12 Payments for each phase of the educational excellence
13 program shall be made by the department of revenue and finance
14 on a quarterly basis and may be made in conjunction with state
15 aid payments under section 442.26. The payments to a school
16 district or area education agency may be combined and a
17 separate accounting of the amount paid for each program shall
18 be included.

19 Any payments made to school districts or area education
20 agencies under this chapter are miscellaneous income for
21 purposes of chapter 442.

22 Sec. 21. NEW SECTION. 294A.21 MULTIPLE SALARY PAYMENTS.

23 The salary increases that may be granted to a teacher under
24 phase III are in addition to any salary increases granted to a
25 teacher under phase I or phase II.

26 DIVISION VI

27 EFFICIENCY INCENTIVES

28 Sec. 22. Section 20.16, Code 1987, is amended by adding
29 the following new unnumbered paragraph:

30 NEW UNNUMBERED PARAGRAPH. Upon mutual agreement of all
31 parties affected, the public employers who are boards of di-
32 rectors of school districts and their corresponding certified
33 teacher employee organizations in an area education agency, or
34 portion of an area education agency, may engage in collective
35 bargaining to negotiate a single proposed collective

1 bargaining agreement for the area.

2 Sec. 23. NEW SECTION. 20.22A NEGOTIATIONS FOR SCHOOL
3 DISTRICTS.

4 Notwithstanding the deadline dates prescribed in section
5 20.17, and sections 20.19 through 20.22, the negotiations for
6 a proposed collective bargaining agreement between the repre-
7 sentatives of a school district and a certified teacher
8 employee organization may begin with the employee
9 organization's presenting its initial bargaining position to
10 the public employer at the first bargaining session held not
11 later than April 1 for the school year commencing the
12 following July 1. If negotiations have not succeeded by April
13 15 and an impasse has not been declared, either party may
14 declare an impasse, and the board shall appoint a mediator
15 under section 20.20. If the impasse persists ten days after
16 the mediator has been appointed, the board shall appoint a
17 fact-finder under section 20.21. If the impasse persists
18 after completion of the fact-finding process, the board shall
19 arrange for arbitration under section 20.22 not later than
20 July 10. The determination by the panel of arbitrators shall
21 be announced not later than August 15, effective retroactive
22 to July 1.

23 Sec. 24. NEW SECTION. 20.22B DURATION OF SCHOOL DISTRICT
24 AGREEMENTS.

25 Collective bargaining agreements between school districts
26 and certified teacher employee organizations shall be for a
27 period of at least two years and shall commence on July 1 of
28 the year in which the agreement is to take effect. However, a
29 collective bargaining agreement may be reopened with the
30 assent of the parties to the agreement.

31 Sec. 25. Section 75.1, unnumbered paragraph 1, Code 1987,
32 is amended to read as follows:

33 When Except as otherwise provided in this section, when a
34 proposition to authorize an issuance of bonds by a county,
35 township, school corporation, city, or by any local board or

1 commission, is submitted to the electors, such the proposition
2 shall not be deemed carried or adopted, anything in the
3 statutes to the contrary notwithstanding, unless the vote in
4 favor of such the authorization is equal to at least sixty
5 percent of the total vote cast for and against said the
6 proposition at said the election. A proposition to authorize
7 an issuance of bonds by a school district that meets any of
8 the following criteria requires a vote in favor of the
9 proposition equal to at least fifty percent of the total vote
10 cast for and against the proposition at the election:

11 1. Has been reorganized under chapter 275 within three
12 years of the date of the election on the issuance of bonds.

13 2. Is a party to a sharing agreement with another school
14 district and is receiving supplementary weighting under
15 section 442.39 that has an expiration date not less than three
16 years after the election on the bond issue.

17 3. Will share the use of the facility with one or more
18 adjacent school districts.

19 4. Is closing facilities within the school district to the
20 extent that there will be a net reduction in the number of
21 school district facilities.

22 5. Is replacing an existing building.

23 Sec. 26. Section 256.7, subsection 7, unnumbered paragraph
24 1, Code 1987, is amended to read as follows:

25 Develop plans for the restructuring of school districts,
26 area education agencies, and merged area schools, with
27 specific emphasis on combining the area education agencies and
28 merged area schools and on redrawing the boundary lines of
29 area education agencies so that the total number of area
30 education agencies is not more than twelve. The plans shall
31 be reported to the general assembly not later than October 1,
32 1987. The focus of the plans shall be to assure more
33 productive and efficient use of limited resources, equity of
34 geographical access to facilities, equity of educational
35 opportunity within the state, and improved student

1 achievement.

2 The state board shall redraw the boundary lines of the area
3 education agencies in this state and provide for an orderly
4 transition so that on July 1, 1990, the total number of area
5 education agencies is not more than twelve.

6 Prior to July 1, 1989, the state board shall make
7 recommendations to the general assembly concerning the number
8 and election of board members and division of assets and
9 liabilities.

10 Sec. 27. Section 256.7, Code 1987, is amended by adding
11 the following new subsection:

12 NEW SUBSECTION. 8. Develop plans to redraw the boundary
13 lines of merged area schools so that the total number of
14 merged area schools does not exceed twelve. The plans shall
15 be reported to the general assembly not later than January 15,
16 1988.

17 Sec. 28. Section 256.11, subsection 10, unnumbered
18 paragraph 1, Code 1987, is amended to read as follows:

19 The state board shall establish an accreditation process
20 for school districts pursuant to this subsection and
21 subsections 11 and 12. The accreditation process shall take
22 effect for one-fifth of the school districts during the school
23 year commencing July 1, 1989 and an additional one-fifth
24 during each of the next following four school years. The
25 state board shall determine the districts to be subject to the
26 accreditation process during a year based upon complaints
27 about districts received by the state board. A school
28 district not subject to the accreditation process is subject
29 to the approval process as provided in section 257.25, Code
30 1985. Accreditation is valid for a five-year period. In
31 addition to employees of the department of education, the
32 director shall appoint a committee of not more than five
33 individuals one of whom is a member of a local school district
34 board of directors; three of whom possess certificates under
35 chapter 260 and are employed in a nonpublic school, school

1 district, merged area school, area education agency, or
2 institution of higher education; and one of whom is not a
3 board member or certificate holder, to serve as an
4 accreditation committee for a school district or nonpublic
5 school. If the accreditation committee is for a nonpublic
6 school, the board member may be either a board member or
7 administrator of a nonpublic school. The members of the
8 accreditation committee shall be broadly representative of the
9 educational profession and shall not have a direct interest in
10 the school district or nonpublic school.

11 Sec. 29. Section 256.11, Code 1987, is amended by adding
12 the following new subsection:

13 NEW SUBSECTION. 12A. If the state board determines under
14 subsection 11 that a school district should not receive
15 accreditation, the parent or guardian of a resident pupil may
16 file by May 1 of that school year notification with the board
17 of directors of the resident school district that the parent
18 or guardian intends to enroll the parent's or guardian's child
19 in a public school in a contiguous school district because the
20 contiguous school district offers an opportunity for academic
21 instruction that is not taught in the district of residence.
22 If the board of directors of the contiguous school district
23 accepts the pupil's enrollment in a school in the district,
24 the board of directors of the district of residence shall pay
25 to the contiguous district for that school year the lower
26 district cost per pupil of the two districts. Quarterly
27 payments shall be made to the contiguous school district.
28 Notwithstanding section 285.1 relating to transportation of
29 nonresident pupils, the contiguous district may transport the
30 nonresident pupils enrolled under this subsection without
31 charge. Attendance in a contiguous school district may
32 continue until final disposition is made under subsection 12.

33 Sec. 30. NEW SECTION. 261C.1 TITLE.

34 This chapter may be cited as the "Postsecondary Enrollment
35 Options Act".

1 Sec. 31. NEW SECTION. 261C.2 POLICY.

2 It is the policy of this state to promote rigorous academic
3 pursuits and to provide a wider variety of options to high
4 school pupils by enabling eleventh and twelfth grade pupils to
5 enroll part time in nonsectarian courses in eligible
6 postsecondary institutions of higher learning in this state.

7 Sec. 32. NEW SECTION. 261C.3 DEFINITIONS.

8 As used in this chapter, unless the context otherwise
9 requires:

10 1. "Eligible postsecondary institution" means an
11 institution of higher learning under the control of the state
12 board of regents, an area school established under chapter
13 280A, or an accredited private institution as defined in
14 section 261.9, subsection 5.

15 2. "Eligible pupil" means a pupil classified by the board
16 of directors of a school district as an eleventh or twelfth
17 grade pupil during the period the pupil is participating in
18 the enrollment option provided under this chapter.

19 Sec. 33. NEW SECTION. 261C.4 AUTHORIZATION.

20 An eligible pupil may make application not later than
21 February 1 of a school year to an eligible institution to
22 allow the eligible pupil to enroll for academic credit in a
23 nonsectarian course offered at that eligible institution
24 during the next succeeding school year. A comparable course
25 must not be offered by the school district in which the pupil
26 is enrolled. If an eligible institution accepts an eligible
27 pupil for enrollment under this section, the institution shall
28 send written notice to the pupil, the pupil's school district,
29 and the department of education by March 1. The notice shall
30 list the course, the clock hours the pupil will be attending
31 the course, and the number of hours of postsecondary academic
32 credit that the eligible pupil will receive from the eligible
33 institution upon successful completion of the course.

34 Sec. 34. NEW SECTION. 261C.5 HIGH SCHOOL CREDITS.

35 A school district shall grant high school academic credit

1 to an eligible pupil enrolled in a course under this chapter
2 if the eligible pupil successfully completes the course as
3 determined by the eligible institution. The board of
4 directors of the school district shall determine the number of
5 high school credits that shall be granted to an eligible pupil
6 who successfully completes a course. If there is a dispute
7 between the board of directors of the school district and the
8 pupil, or the pupil's parent or guardian, regarding the number
9 of high school credits granted for a particular course, the
10 pupil, or the pupil's parent or guardian, may appeal the
11 decision of the board of directors to the state board of
12 education under chapter 290. The decision of the state board
13 is final.

14 The high school credits granted to an eligible pupil under
15 this section shall count toward the graduation requirements
16 and subject area requirements of the school district of
17 residence of the eligible pupil. Evidence of successful
18 completion of each course and high school credits and
19 postsecondary academic credits received shall be included in
20 the pupil's high school transcript.

21 Sec. 35. NEW SECTION. 261C.6 SCHOOL DISTRICT PAYMENTS.

22 Not later than June 30 of each year, a school district
23 shall pay a tuition reimbursement amount to an eligible
24 postsecondary institution that has enrolled its resident
25 eligible pupils under this chapter. The amount of tuition
26 reimbursement for each separate course shall equal the lesser
27 of:

28 1. The actual costs of tuition, textbooks, materials, and
29 fees directly related to the course taken by the eligible
30 student.

31 2. Two hundred dollars.

32 A pupil is not eligible to enroll on a full-time basis in
33 an eligible postsecondary institution and receive payment for
34 all courses in which a student is enrolled.

35 Sec. 36. NEW SECTION. 261C.7 TRANSPORTATION.

1 The parent or guardian of an eligible pupil who has
2 enrolled in and is attending an eligible postsecondary
3 institution under this chapter shall furnish transportation to
4 and from the eligible postsecondary institution for the pupil.

5 Sec. 37. NEW SECTION. 261C.8 PROHIBITION ON CHARGES.

6 An eligible postsecondary institution that enrolls an
7 eligible pupil under this chapter shall not charge that pupil
8 for tuition, textbooks, materials, or fees directly related to
9 the course in which the pupil is enrolled except that the
10 pupil may be required to purchase equipment that becomes the
11 property of the pupil.

12 Sec. 38. NEW SECTION. 261C.9 PUPIL ENROLLMENT.

13 Payments shall not be made under section 261C.6 if the
14 eligible pupil is enrolled on a full-time basis in the pupil's
15 school district of residence as well as enrolling in a course
16 or program in an eligible postsecondary institution.

17 Sec. 39. Section 273.2, unnumbered paragraph 1, Code 1987,
18 is amended to read as follows:

19 There are established throughout the state fifteen area
20 education agencies, each of which is governed by an area
21 education agency board of directors. Effective July 1, 1990,
22 there are established not more than twelve area education
23 agencies. The boundaries of an area education agency shall
24 not divide a school district. The director of the department
25 of education shall change boundaries of area education
26 agencies to take into account mergers of local school
27 districts and changes in boundaries of local school districts,
28 when necessary to maintain the policy of this chapter that a
29 local school district shall not be a part of more than one
30 area education agency.

31 Sec. 40. Section 275.33, subsection 2, unnumbered
32 paragraph 1, Code 1987, is amended to read as follows:

33 The collective bargaining agreement of the district with
34 the largest basic enrollment, as defined in section 442.4, in
35 the new district shall serve as the base agreement and the

1 employees of the other districts involved in the formation of
2 the new district shall automatically be accreted to the
3 bargaining unit of that collective bargaining agreement for
4 purposes of negotiating the contracts for the following years
5 without further action by the public employment relations
6 board. If only one collective bargaining agreement is in
7 effect among the districts which are party to the
8 reorganization, then that agreement shall serve as the base
9 agreement, and the employees of the other districts involved
10 in the formation of the new district shall automatically be
11 accreted to the bargaining unit of that collective bargaining
12 agreement for purposes of negotiating the contracts for the
13 following years without further action by the public
14 employment relations board. The board of the newly formed
15 district, using the base agreement as its existing contract,
16 shall bargain with the combined employees of the existing
17 districts for the school year beginning with the effective
18 date of the reorganization. The bargaining shall be completed
19 by March 15 prior to the school year in which the
20 reorganization becomes effective or within one hundred eighty
21 days after the organization of the new board, whichever is
22 later unless section 20.22A is used. If a bargaining
23 agreement was already concluded by the board and employees of
24 the existing district with the contract serving as the base
25 agreement for the school year beginning with the effective
26 date of the reorganization, that agreement shall be void.
27 However, if the base agreement contains multiyear provisions
28 affecting school years subsequent to the effective date of the
29 reorganization, the base agreement shall remain in effect as
30 specified in the agreement.

31 Sec. 41. Section 278.1, unnumbered paragraph 2, Code 1987,
32 is amended to read as follows:

33 The board may, with approval of sixty percent of the
34 voters, voting in a regular or special election in the school
35 district, make extended time contracts not to exceed twenty

1 years in duration for rental of buildings to supplement
2 existing schoolhouse facilities; and where it is deemed
3 advisable for buildings to be constructed or placed on real
4 estate owned by the school district, such contracts may
5 include lease-purchase option agreements, such amounts to be
6 paid out of the schoolhouse fund. However, for any school
7 district that meets the criteria for majority approval in
8 section 75.1, the required vote in favor of the proposition to
9 make extended time contracts under this section must only be
10 equal to a majority of the total vote cast for and against the
11 proposition at the election.

12 Sec. 42. Section 279.1, unnumbered paragraph 1, Code 1987,
13 is amended to read as follows:

14 The board of directors of each school corporation shall
15 meet and organize at ~~two o'clock p.m.; or at seven-thirty~~
16 ~~o'clock p.m.; if so ordered by the president of the board; on~~
17 ~~the third Monday in September each year~~ the first regular
18 meeting after a regular school election at some suitable place
19 to be designated by the secretary. Notice of the place and
20 hour of such meeting shall be given by the secretary to each
21 member and each member-elect of the board.

22 Sec. 43. Section 279.20, Code 1987, is amended to read as
23 follows:

24 279.20 SUPERINTENDENT -- TERM.

25 The board of directors of any a school district ~~shall have~~
26 ~~power to~~ may employ a superintendent of schools for ~~one year;~~
27 ~~After serving at least seven months, the superintendent may be~~
28 ~~employed for~~ a term of not to exceed three years. The
29 superintendent shall be the executive officer of the board and
30 have such powers and duties as may be prescribed by rules
31 adopted by the board or by law. Boards of directors may
32 jointly exercise the powers conferred by this section.

33 Sec. 44. Section 279.34, Code 1987, is amended to read as
34 follows:

35 279.34 FINANCIAL STATEMENT -- PUBLICATION.

1 In each school district, the board shall, during the second
2 week of August of each year, publish by one insertion in at
3 least one newspaper, ~~if there is a newspaper published in~~
4 general circulation in the district, a summarized statement
5 verified by affidavit of the secretary of the board showing
6 the receipts and disbursements of all funds for the preceding
7 school year. ~~In all districts of more than one hundred~~
8 ~~twenty-five thousand population, the~~ The statement of
9 disbursements is to show the names of the persons, firms, or
10 corporations, and the total amount paid to each during the
11 school year. The fee for publication of the statement shall
12 not exceed three-fifths of the legal publication fee provided
13 by statute for the publication of legal notices.

14 Sec. 45. Section 279.36, Code 1987, is amended to read as
15 follows:

16 279.36 SUMMARY OF WARRANTS PUBLISHED.

17 In each school district, ~~except districts of over one~~
18 ~~hundred twenty-five thousand population,~~ the board shall
19 quarterly publish by one insertion in at least one newspaper
20 published in general circulation in the district, ~~if there is~~
21 ~~a newspaper published in the district,~~ notice that there is
22 filed with the area education agency administrator and the
23 administrative office of the school district a statement
24 verified by affidavit of the secretary of the board showing a
25 summary of the proceedings of the board pertaining to
26 financial matters or expenses to the district for the previous
27 quarter, including the list of all warrants issued by the
28 board, the names of the persons, firms or corporations
29 receiving same, the amount thereof and the reason therefor;
30 except that warrants issued to persons regularly employed by
31 the school district for services regularly performed by them
32 need not be listed ~~not oftener~~ more often than annually. The
33 fee for publication of the statement provided for herein shall
34 not exceed three-fifths of the legal publication fee provided
35 by statute for the publication of legal notices.

1 Sec. 46. NEW SECTION. 280.13A SHARING INTERSCHOLASTIC
2 ACTIVITIES.

3 If a school district does not provide an interscholastic
4 activity for its students, the board of directors of that
5 school district may complete an agreement with another school
6 district to provide for the eligibility of its students in
7 interscholastic activities provided by that other school dis-
8 trict. A copy of each agreement completed under this section
9 shall be filed with the appropriate organization as organi-
10 zation is defined in section 280.13 not later than April 30 of
11 the school year preceding the school year in which the agree-
12 ment takes effect, unless an exception is granted by the
13 organization for good cause. An agreement completed under
14 this section shall be deemed approved unless denied by the
15 governing organization within ten days after its receipt. A
16 governing organization shall determine whether an agreement
17 would substantially prejudice the interscholastic activities
18 of other schools. An agreement denied by a governing board
19 under this section may be appealed to the state board of
20 education under chapter 290.

21 For the purpose of this section, substantial prejudice
22 includes, but is not limited to, situations where shared
23 interscholastic activities may result in an unfair domination
24 of an interscholastic activity or substantial disruption of
25 activity classifications and management.

26 It is not necessary that school districts that are parties
27 to an agreement under this section must be engaged in sharing
28 academic programming and receiving supplementary weighting
29 under section 442.39.

30 Sec. 47. Section 280.16, Code 1987, is amended by striking
31 the section and inserting the following:

32 280.16 OPEN ENROLLMENT.

33 For the school year commencing July 1, 1987 and each
34 succeeding school year, a parent or guardian residing in a
35 school district may enroll the parent's or guardian's child in

1 a public school in a contiguous school district in the manner
2 provided in this section if any of the conditions listed in
3 this section exists.

4 Not later than November 1 of the preceding school year, the
5 parent or guardian shall send notification to the district of
6 residence and to the department of education on forms
7 prescribed by the department of education that the parent or
8 guardian intends to enroll the parent's or guardian's child in
9 a public school in a contiguous school district because of the
10 existence of any of the following conditions.

11 1. The curriculum of the contiguous school district
12 provides opportunities more suited to the child's educational
13 needs.

14 2. The student activity programs of the contiguous school
15 district provide opportunities more suited to the child's
16 needs.

17 3. The student body of the contiguous school district
18 provides more suitable academic competition for the child.

19 4. The contiguous school district is more geographically
20 suited to the parents than the district of residence.

21 5. The student was enrolled in the tenth or eleventh grade
22 for the preceding school year in a contiguous school district
23 and is no longer a resident of that school district, unless
24 the board of the contiguous school district has agreed to
25 waive the tuition requirement.

26 The board of the district of residence shall transmit a
27 copy of the form to the contiguous school district within five
28 days after its receipt. The board of the contiguous school
29 district shall enroll the pupil in a school in the contiguous
30 district for the following school year unless the contiguous
31 district does not have classroom space for the pupil or unless
32 enrolling the pupil in the contiguous district will adversely
33 affect the minority enrollment in a school district in which
34 there is voluntary or court ordered desegregation.

35 A request under this section is for a period not less than

1 four years unless the pupil will graduate within the four-year
2 period, except that the four-year requirement may be waived
3 upon the mutual assent of the parent or guardian, the board of
4 the district of residence, and the board of the contiguous
5 school district, and the student may enroll in school in the
6 district of residence.

7 The board of directors of the district of residence shall
8 act upon the request within thirty days of its receipt. If
9 the board believes that the request does not meet the
10 conditions listed in this section, the board may petition the
11 department of education for a determination. If the request
12 was based upon subsection 2 and it related to opportunities
13 for an interscholastic athletic program more suited to the
14 child's needs, the board of the district of residence may
15 petition the department for a determination only if the
16 district of residence also offers that interscholastic
17 athletic program. The board of the district of residence must
18 prove to the department that the conditions listed in the
19 request do not exist and the request of the parent or guardian
20 is not valid.

21 The board of directors of the district of residence shall
22 pay to the contiguous school district the lower district cost
23 per pupil of the two districts for that school year.
24 Quarterly payments shall be made to the contiguous district.
25 Notwithstanding section 285.1 relating to transportation of
26 nonresident pupils, the parent or guardian is responsible for
27 transporting the student without reimbursement to and from a
28 point on a regular school bus route of the contiguous
29 district.

30 A student who attends school in a contiguous school
31 district is not eligible to participate in interscholastic
32 athletic contests and athletic competitions during the first
33 year of enrollment under this section except for an
34 interscholastic sport in which the district of residence and
35 the contiguous school district jointly participate.

1 Neither the notification of the parent to the district of
2 residence nor the decision of the department is subject to
3 appeal.

4 Sec. 48. NEW SECTION. 280.18 STUDENT ACHIEVEMENT GOALS.

5 The board of directors of each school district shall adopt
6 goals to improve student achievement and performance. Student
7 achievement and performance can be measured by measuring the
8 improvement of students' skills in reading, writing, speaking,
9 listening, mathematics, reasoning, studying, and technological
10 literacy.

11 In order to achieve the goal of improving student
12 achievement and performance on a statewide basis, the board of
13 directors of each school district shall adopt goals that will
14 improve student achievement at each grade level in the skills
15 listed in this section and other skills deemed important by
16 the board. Not later than July 1, 1989, the board of each
17 district shall transmit to the department of education its
18 plans for achieving the goals it has adopted and the periodic
19 assessment that will be used to determine whether its goals
20 have been achieved. The board shall appoint a committee
21 composed of teachers representing each grade level affected
22 and school administrators to advise it concerning the
23 development of goals, the assessment process to be used, and
24 the measurements to be used.

25 The periodic assessment used by a school district to
26 determine whether its student achievement goals have been met
27 shall use various measures for determination, of which
28 standardized tests may be one. The board shall ensure that
29 the achievement of goals for a grade level has been assessed
30 at least once during every four-year period.

31 The board shall file assessment reports with the department
32 of education and shall make copies of these reports available
33 to the residents of the school district.

34 Sec. 49. Section 280A.21, Code 1987, is amended to read as
35 follows:

1 280A.21 ELECTION TO INCUR INDEBTEDNESS.

2 ~~No-indebtedness~~ Indebtedness shall not be incurred under
3 section 280A.19 until authorized by an election. A
4 proposition to incur indebtedness and issue bonds for area
5 vocational school or area community college purposes shall be
6 deemed carried in a merged area if approved by a ~~sixty-percent~~
7 majority of all voters voting on the proposition in the area.

8 Sec. 50. Section 280A.25, Code 1987, is amended by adding
9 the following new subsection:

10 NEW SUBSECTION. 11. Adopt rules prohibiting an area
11 school from adding student participation in intercollegiate
12 athletics to its program.

13 Sec. 51. NEW SECTION. 282.11 PROCEDURE.

14 Not less than thirty days prior to signing a sharing
15 agreement whereby all or a substantial portion of the pupils
16 in a grade in the district will attend school in another
17 district, the board of directors of each school district that
18 is a party to the sharing agreement shall adopt a resolution
19 outlining the details of the sharing agreement and specifying
20 the boundary lines within the school district for determining
21 the school districts of attendance of the pupils. The board
22 shall publish the resolution in a newspaper in general
23 circulation within the school district as soon as possible
24 following the adoption of the resolution. Within the thirty-
25 day period prior to the signing of the agreement, the parent
26 or guardian of an affected pupil may appeal the sending of
27 that pupil to the school district specified in the agreement,
28 to the area education agency board of the area education
29 agency in which the school districts that are party to the
30 sharing agreement are located. If the school districts are
31 located in more than one area education agency, the area
32 education agency boards shall act jointly in considering the
33 appeal in the manner provided for joint boards in section
34 275.16. A parent or guardian may appeal on the basis that
35 sending the pupil to school in the district specified in the

1 agreement will not meet the educational program needs of the
2 pupil, or the school in the school district to which the pupil
3 will be sent is not appropriate because consideration was not
4 given to geographical factors. If the parent or guardian
5 appeals, the standard of review of the appeal is clear and
6 convincing evidence that the parent or guardian's hardship
7 outweighs the benefits and integrity of the sharing agreement.
8 The decision of the area education agency board is binding on
9 the boards of directors of the school districts affected,
10 except that the decision of the area education agency board
11 may be appealed by either party to the district court.

12 A parent or guardian residing in a school district in which
13 all or a substantial portion of the pupils in a grade in the
14 district are being transported to a contiguous school district
15 under a written agreement may appeal the sending of the parent
16 or guardian's child to school in the contiguous school
17 district to the area education agency board in the manner
18 provided in this section. The appeal must be made in writing
19 not later than February 1 of the preceding school year. For
20 the school year beginning July 1, 1987, the parent or guardian
21 shall appeal by June 1, 1987.

22 Sec. 52. Section 296.6, Code 1987, is amended to read as
23 follows:

24 296.6 BONDS.

25 If the vote in favor of the issuance of such bonds is equal
26 to at least sixty percent of the total vote cast for and
27 against said the proposition at said the election, the board
28 of directors shall issue the same and make provision for
29 payment thereof. However, for any school district that meets
30 the criteria for majority approval in section 75.1, the
31 required vote in favor of the issuance of the bonds under this
32 section must only be equal to a majority of the total vote
33 cast for and against the proposition at the election.

34 Sec. 53. Section 298.18, unnumbered paragraph 6, Code
35 1987, is amended to read as follows:

1 Notice of the election shall be given by the county
2 commissioner of elections according to section 49.53. The
3 election shall be held on a date not less than four nor more
4 than twenty days after the last publication of the notice. At
5 ~~such~~ the election the ballot used for the submission of ~~said~~
6 the proposition shall be in substantially the form for
7 submitting special questions at general elections. The county
8 commissioner of elections shall conduct the election pursuant
9 to ~~the-provisions-of~~ chapters 39 to 53 and certify the results
10 to the board of directors. ~~Such~~ The proposition shall not be
11 deemed carried or adopted unless the vote in favor of ~~such~~ the
12 proposition is equal to at least sixty percent of the total
13 vote cast for and against ~~said~~ the proposition at ~~said~~ the
14 election. However, for any school district that meets the
15 criteria for majority approval in section 75.1, the required
16 vote in favor of the proposition under this section must only
17 be equal to at least a majority of the total vote cast for and
18 against the proposition at the election. Whenever such a
19 proposition has been approved by the voters of a school
20 corporation as ~~hereinbefore~~ provided in this section, no
21 further approval of the voters of ~~such~~ the school corporation
22 ~~shall-be~~ is required as a result of any subsequent change in
23 the boundaries of ~~such~~ the school corporation.

24 Sec. 54. Section 442.2, subsection 1, unnumbered
25 paragraphs 1 and 2, Code 1987, are amended to read as follows:

26 Each For the school year beginning July 1, 1988 and each
27 school year thereafter, each school district shall cause to be
28 levied each year, for the school general fund, a foundation
29 property tax of five dollars and ~~forty~~ thirteen cents per
30 thousand dollars of assessed valuation on all taxable property
31 in the district. For the purpose of this chapter, a school
32 district is defined as a school corporation organized under
33 chapter 274.

34 However, commencing with the budget year beginning July 1,
35 1987, a reorganized school district shall cause a foundation

1 property tax of four dollars and forty thirteen cents per
2 thousand dollars of assessed valuation to be levied on all
3 taxable property which, in the year preceding the
4 reorganization, was within a school district affected by the
5 reorganization as defined in section 275.1 and which had a
6 certified enrollment of less than six hundred. In succeeding
7 school years, the foundation property tax levy on that portion
8 shall be increased twenty cents per year until it reaches the
9 rate of five dollars and forty cents per thousand dollars of
10 assessed valuation.

11 Sec. 55. Section 442.4, subsection 3, paragraph c, Code
12 1987, is amended to read as follows:

13 c. For the school year beginning July 1, 1988 and each
14 school year thereafter, the department of management shall
15 reduce the budget enrollment of applicable school districts in
16 the manner provided in this paragraph. The department of
17 management shall determine the difference between the budget
18 enrollment calculated under paragraphs "a" and "b" for a
19 budget year and the district's basic enrollment for that
20 budget year. If that difference exceeds the difference
21 between the budget enrollment calculated under paragraphs "a"
22 and "b" for the base year commencing July 1, 1987 and the
23 district's basic enrollment for that base year, the department
24 of management shall reduce the district's budget enrollment
25 for the budget year by the excess.

26 e d. Adjustments made by the department of management
27 under subsection 5 of this section.

28 Sec. 56. Section 442.4, subsection 5, Code 1987, is
29 amended to read as follows:

30 5. For the school year beginning July 1, ~~1984~~ 1988 and
31 each succeeding school year, if an amount equal to the
32 district cost per pupil for the budget year minus the amount
33 included in the district cost per pupil for the budget year to
34 compensate for the cost of special education support services
35 for a school district for the budget year times the budget

1 enrollment of the school district for the budget year is less
2 than one hundred two percent times an amount equal to the
3 district cost per pupil for the base year minus the amount
4 included in the district cost per pupil for the base year to
5 compensate for the cost of special education support services
6 for a school district for the base year times the budget
7 enrollment for the school district for the base year, the
8 department of management shall increase the budget enrollment
9 for the school district for the budget year to a number which
10 will provide that one hundred two percent amount.

11 Sec. 57. Section 442.5, subsection 1, paragraph a, Code
12 1987, is amended to read as follows:

13 a. "Miscellaneous income" means all receipts deposited to
14 the general fund of a school district which are not obtained
15 from state aid provided under section 442.1 or from property
16 tax authorized under section 442.2 or 442.9. Miscellaneous
17 income includes property tax levied under ~~the provisions of~~
18 section 613A.7, to fund the costs of tort liability insurance
19 for the school district, the foundation transportation
20 property tax levied under section 442.55, state transportation
21 aid paid under section 442.55, and the additional
22 transportation property tax levied under section 442.56.

23 Sec. 58. Section 442.6, Code 1987, is amended by adding
24 the following new subsections:

25 NEW SUBSECTION. 4. State transportation cost per pupil
26 for the school year beginning July 1, 1987 is an amount equal
27 to the sum of all school transportation costs for the school
28 year beginning July 1, 1986 approved by the department of
29 education under chapter 285 times one hundred percent plus the
30 state percent of growth for the school year beginning July 1,
31 1987 divided by the weighted enrollment for the state for the
32 school year beginning July 1, 1987. For each budget year
33 thereafter, state transportation cost per pupil in the budget
34 year means the state transportation cost per pupil in the base
35 year plus the transportation allowable growth for the budget

1 year. The transportation allowable growth for the budget year
2 is determined by multiplying the state transportation cost per
3 pupil for the base year times the state percent of growth for
4 the budget year.

5 NEW SUBSECTION. 5. District transportation cost per pupil
6 for the school year beginning July 1, 1987 is an amount equal
7 to the school district transportation cost for the school year
8 beginning July 1, 1980 approved by the department of education
9 under chapter 285 times one hundred percent plus the state
10 percent of growth for the school year beginning July 1, 1987
11 divided by the district's weighted enrollment for the school
12 year beginning July 1, 1987. For each budget year thereafter,
13 the district transportation cost per pupil in the budget year
14 means the district transportation cost per pupil for the base
15 year plus the transportation allowable growth for the budget
16 year.

17 NEW SUBSECTION. 6. Transportation costs approved by the
18 department of education in chapter 285 for the school year
19 beginning July 1, 1986 do not include costs incurred in
20 transporting pupils from home to a bus route, or in
21 transporting pupils not entitled to free transportation but
22 who are transported at the expense of the resident district or
23 the parents; and do not include supplemental aid and
24 additional allowable growth granted in the base year but not
25 added to the district cost of school districts under section
26 442.13. The secretary of each district shall, on or before
27 September 1, 1987, report to the department of education on
28 blanks furnished by the department, the information the
29 department requires for determining the transportation costs
30 approved by the department of education for the school year
31 beginning July 1, 1986.

32 NEW SUBSECTION. 7. The state foundation transportation
33 base is determined by multiplying the state transportation
34 cost per pupil in weighted enrollment times the percent of the
35 state cost per pupil which determines the state foundation

1 base for the budget year as provided in section 442.3.

2 Sec. 59. Section 442.8, Code 1987, is amended by adding
3 the following new unnumbered paragraph:

4 NEW UNNUMBERED PARAGRAPH. However, for the budget year
5 beginning July 1, 1988, the state cost per pupil as otherwise
6 computed under this section shall be reduced by the state
7 transportation cost per pupil for the school year beginning
8 July 1, 1988.

9 Sec. 60. Section 442.9, subsection 1, Code 1987, is
10 amended by adding the following new paragraph:

11 NEW PARAGRAPH. d. However, for the budget year beginning
12 July 1, 1988, the district cost per pupil for each school
13 district as computed under this subsection shall be reduced by
14 the district transportation cost per pupil for the school year
15 beginning July 1, 1988.

16 Sec. 61. Section 442.13, subsection 5, paragraph c, Code
17 1987, is amended to read as follows:

18 c. Unusual transportation problems and for which the per
19 pupil transportation costs are substantially higher than the
20 state average per pupil transportation costs due to sparsity
21 of the population, topographical factors, and other obstacles
22 which hinder the efficient transportation of pupils. If
23 modified allowable growth is granted under this paragraph, the
24 modified allowable growth shall only be used in determining
25 district transportation cost for the budget year.

26 Sec. 62. Section 442.39, subsection 4, paragraph b, Code
27 1987, is amended to read as follows:

28 b. School administrators, which includes principals,
29 assistant principals, and other assistants in general
30 supervision of the operations of the school. ~~School~~
31 ~~administrators-does-not-include-principals-~~

32 Sec. 63. NEW SECTION. 442.55 FOUNDATION PROPERTY TAX --
33 SCHOOL TRANSPORTATION AID.

34 1. For the school year beginning July 1, 1988 and
35 succeeding school years, each school district shall cause to

1 be levied a foundation transportation property tax of twenty-
2 seven cents per thousand dollars of assessed valuation on all
3 taxable property in the district. For purposes of this
4 section, section 442.2, subsections 2 and 3, apply to the
5 foundation transportation property tax as well as the
6 foundation property tax. However, if the amount collected
7 under the foundation property tax will exceed an amount equal
8 to the district transportation cost for the budget year, the
9 levy shall be reduced to the amount required to equal the
10 district transportation cost for the budget year.

11 2. For the school year beginning July 1, 1988 and
12 succeeding school years, a school transportation aid fund is
13 established. There is appropriated from the general fund of
14 the state to the school transportation aid fund for each
15 budget year an amount sufficient to pay state transportation
16 aid to school districts.

17 3. The department of revenue and finance shall allocate
18 from the school transportation aid fund for each budget year
19 to each school district in the state an amount obtained by
20 multiplying the state transportation foundation base in the
21 budget year times the weighted enrollment in the district for
22 the budget year and subtracting from it the amount raised by
23 the foundation transportation property tax in the district.

24 Sec. 64. NEW SECTION. 442.56 ADDITIONAL TRANSPORTATION
25 PROPERTY TAX LEVY.

26 The department of management shall determine the additional
27 transportation property tax levy for each school district in
28 the manner provided in this section.

29 1. The amount to be raised by the additional
30 transportation property tax levy in a school district is equal
31 to the difference between the product of the district
32 transportation cost per pupil in the budget year times the
33 weighted enrollment in the district for the budget year less
34 the product of the state foundation transportation base for
35 the budget year and the weighted enrollment in the district

1 for the budget year.

2 2. No later than May 1 of each year, the department of
3 management shall notify the county auditor of each county the
4 amount, in dollars and cents per thousand dollars of assessed
5 valuation, of the additional transportation property tax levy
6 in each school district in the county. Each county auditor
7 shall spread the additional transportation property tax levy
8 for each school district over all taxable property in the
9 district.

10 Sec. 65. NEW SECTION. 442.57 PAYMENT OF TRANSPORTATION
11 AID.

12 1. The department of revenue and finance shall draw
13 warrants for school transportation aid and deliver them to the
14 districts in the manner provided in section 442.26 for state
15 school foundation aid.

16 2. Funds obtained by school districts from the foundation
17 transportation levy, foundation transportation aid, and the
18 additional transportation property tax levy shall be placed in
19 a special transportation account in the general fund of the
20 school district and used only for school transportation
21 purposes.

22 Sec. 66. Section 279.35, Code 1987, is repealed.

23 Sec. 67. Sections 1 through 21 and 51 of this Act, being
24 deemed of immediate importance, take effect upon their
25 enactment.

26 EXPLANATION

27 This bill establishes an educational excellence program in
28 three phases. It creates an educational excellence trust
29 fund, and a total of \$97,500,000 is appropriated to it. The
30 first phase increases minimum teacher salaries to \$18,000 per
31 year. The second phase provides additional moneys to school
32 districts based upon their certified enrollments and area
33 education agencies based upon their enrollment served to
34 increase the salaries of experienced teachers. The third
35 phase provides \$50,000,000 to school districts that submit

1 plans to the department of education and receive approval to
2 implement a performance pay plan or supplemental pay plan or a
3 combination of the two. In order to receive phase III moneys
4 the teachers in a school district must be working under a
5 contract that requires them to work at least one hundred
6 ninety days per year.

7 The bill also provides the following:

- 8 1. Permissive regional collective bargaining for school
9 districts.
- 10 2. Permissive summer collective bargaining for school
11 districts.
- 12 3. Two-year collective bargaining agreements for school
13 districts with a reopener provision.
- 14 4. Directions to the state board of education to determine
15 the school districts subject to the accreditation process
16 based upon complaints filed.
- 17 5. Open enrollment for students in districts that have not
18 received accreditation.
- 19 6. Postsecondary enrollment options for high school
20 students.
- 21 7. Directions to the state board of education to redraw
22 the boundary lines of area education agencies so that by July
23 1, 1990 there are no more than twelve.
- 24 8. Fifty percent majority for bond issues of school
25 districts that meet certain conditions.
- 26 9. Directions to the state board of education to develop
27 plans for redrawing boundary lines of merged area schools so
28 that there are not more than twelve.
- 29 10. Providing for the date of the organizational meeting
30 of school corporations.
- 31 11. Annual publication of financial statements.
- 32 12. Sharing interscholastic activity programs without
33 sharing academic programs.
- 34 13. Open enrollment for pupils in contiguous school
35 districts.

1 14. Requiring school districts to adopt student
2 achievement goals and provide for the assessment of students.

3 15. Prohibition that area schools cannot add student
4 participation in intercollegiate athletics at an area school.

5 16. Providing a procedure for adoption of a whole grade
6 sharing agreement and an appeal by a parent or guardian of an
7 affected child.

8 17. A separate foundation formula for school
9 transportation.

10 18. Provision that the number of students added to basic
11 enrollment to achieve budget enrollment cannot increase.

12 19. Reduction of the budget guarantee to 100 percent.

13 20. Inclusion of shared principals in the supplemental
14 weighting requirements.

15 The sections relating to the teacher salary portion of the
16 bill and the section relating to a procedure for adopting
17 sharing agreements between school districts take effect upon
18 the bill's enactment.

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-CLIP SHEET CORRECTION- HOUSE FILE 499

Please use this copy!!!! FISCAL NOTE

REQUESTED BY REPRESENTATIVE OLLIE

In compliance with a written request received March 9, 1987, a fiscal note for HOUSE FILE 499 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 499 establishes an educational excellence program which makes provisions for salary improvements for K-12 certificated staff. The proposal also makes changes in the school foundation formula related to budget enrollment calculations and transportation funding. It also makes provisions relating to enrollment options, collective bargaining, accreditation review, sharing programs, and boundary line changes of area education agencies (AEA's) and merged areas.

Section 1 relates to the establishment of an educational excellence program in three phases, beginning with the 1987-88 school year. Phase I increases minimum teacher salaries to \$18,000 per year. Funding is used to bring salaries up to the minimum and to pay the employer's share of the cost of benefits.

Phase II provides additional funds to school districts and area education agencies (AEA's) to increase other teacher salaries. The moneys are allocated to school districts based on their 1986 certified enrollments, and to AEA's based on their 1986 enrollments served.

Phase III provides funds to school districts and AEA's for performance-based and/or supplemental pay plans. The moneys are allocated to the school districts and AEA's in a manner similar to the allocation of phase II funds. A school district or AEA must submit plans to the department of education and receive approval in order to implement a plan based on phase III funds.

Moneys are appropriated from the general fund of the state beginning in FY 1988 for the three phases as follows:

Phase I	\$ 9.0 million
Phase II	38.5 million
Phase III	50.0 million

If the funds appropriated for phase I are either insufficient or exceed the actual payments made for phase I, phase III will be adjusted so that the total appropriated for all three phases does not exceed the total \$97.5 million.

Assumptions:

1. Teacher salaries will increase five percent per year from 1986-87.
2. The number of teachers and their relative placement on the salary schedule will not depart significantly from 1986-87.

Fiscal Effect:

The estimated cost to the state of phase I for the 1987-88 and 1988-89 school year is \$9.5 million per year. Therefore, the amount appropriated under phase III would be reduced by a like amount.

-2-

Section 2 changes the methods of calculating a school district's budget enrollment. Under current law, the September 1978 certified enrollment count is used to calculate 25 percent of the budget enrollment, and the larger of the basic enrollment or the prior year's basic enrollment is used to calculate 75 percent of the budget enrollment.

Beginning with the 1988-89 school year, the number of pupils that may be added to the budget enrollment from the aforementioned current law calculations cannot exceed the number of pupils that were added to the budget enrollment from those calculations for the 1987-88 school year.

The proposal also reduces the budget guarantee from 102 percent to 100 percent of the previous year's budget.

Assumptions:

1. Total taxable valuations for 1985 were \$74.34 billion and will increase 1.5 percent per year through 1987.
2. The September 1986 certified enrollment was 482,208 and will decline one percent each year thereafter.
3. The allowable growth rate for the 1987-88 school year is 3.469 percent and will be 2.0 percent for the 1988-89 school year.
4. The December 1986 special education weighting was 37,867 and will remain constant through the 1988-89 school year.
5. The September 1986 supplemental weighting was 1,409 and will remain constant through the 1988-89 school year.

Fiscal Effect:

	Fiscal Year 1988 (in millions)			Fiscal Year 1989 (in millions)		
	Current Law	Proposed Law	Increase (Decrease)	Current Law	Proposed Law	Increase (Decrease)
<u>EXPENDITURES</u>						
State Aid	\$ 808.0	\$ 808.0	\$ 0	\$ 841.5	\$ 823.9	\$ (17.6)
Property Tax	\$ 746.0	\$ 746.0	\$ 0	\$ 743.5	\$ 739.4	\$ (4.1)
TOTAL	\$ 1554.0	\$ 1554.0	\$ 0	\$ 1585.0	\$ 1563.3	\$ (21.7)

Section 3 creates a transportation formula to calculate the funding of a school district's public transportation costs, beginning with the 1988-89 school year. Under current law, transportation costs are financed through the school district's general operating fund. Budget and state aid levels for all general operating fund expenditures are determined through the school foundation formula.

The proposal takes school transportation costs out of the general operating fund budget, and establishes a separate foundation formula to determine funding levels for school transportation costs. A state transportation cost per pupil and district costs per pupil are calculated from actual transportation expenditures in the 1986-87 school year, increased by a

-3-

transportation allowable growth. The school foundation district cost and state cost per pupil are reduced by ***** a like amount. The transportation foundation levy is \$0.27 per \$1,000 foundation levy is \$0.27 per \$1,000 of assessed valuation. The \$5.40 school foundation levy is reduced to \$5.13 per \$1,000 of assessed valuation.

Assumptions:

1. Total public transportation costs for the 1985-86 school year were \$55.0 million and will increase 3.8% for the 1986-87 school year.
2. Total taxable valuations for 1985 were \$74.34 billion and will increase 1.5 percent per year through 1987.
3. The September 1986 certified enrollment was 482,208 and will decline one percent each year thereafter.
4. The allowable growth rate for the 1987-88 school year is 3.469 percent and will be 2.0 percent for the 1988-89 school year.
5. The December 1986 special education weighting was 37,867 and will remain constant through the 1988-89 school year.
6. The September 1986 supplemental weighting was 1,409 and will remain constant through the 1988-89 school year.

Fiscal Effect:

	Fiscal Year 1988 (in millions)			Fiscal Year 1989 (in millions)		
	Current	Proposed	Increase	Current	Proposed	Increase
	Law	Law	(Decrease)	Law	Law	(Decrease)
EXPENDITURES						
State Aid -						
Gen Fund	\$ 808.0	\$ 810.2	\$ 0	\$ 841.5	\$ 848.7	\$ 7.2
State Aid -						
Transport	\$ 0.0	\$ 0.0	\$ 0	\$ 0.0	\$ 31.4	\$ 31.4
Prop Tax -						
Gen Fund	\$ 746.0	\$ 746.0	\$ 0	\$ 743.5	\$ 734.7	\$ (8.8)
Prop Tax -						
Transport	\$ 0.0	\$ 0.0	\$ 0	\$ 0.0	\$ 31.3	\$ 31.3
TOTAL	\$ <u>1554.0</u>	\$ <u>1554.0</u>	\$ <u>0</u>	\$ <u>1585.0</u>	\$ <u>1646.1</u>	\$ <u>61.1</u>

Section 4 makes changes in the provisions for sharing administrators under the supplemental weighting plan. Under current law, a school district may add pupils to their enrollment at the rate of .05 per pupil for each shared administrator employed by the school district times the fraction of the administrator's time spent in that school district, for a maximum additional weighting of 15 pupils. Under current law, administrative sharing includes executive administrators, school administrators, excluding principals, and business administrators. The proposal would add the sharing of principals to those agreements eligible for supplemental weighting under the supplemental weighting plan.

Page Four, Fiscal Note, House File 499

Fiscal Effect:

To the extent that school districts currently share principals, and to the extent that sharing agreements are expanded, an increase in state aid can be expected. However, an estimate of the impact cannot be determined.

Sources: Department of Education
Department of Management

(LSB 2514M, TLJ)

FILED MARCH 24, 1987

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 499
AMENDMENT H-3319 TO AMENDMENT H-3310

FISCAL NOTE

REQUESTED BY REPRESENTATIVE HALVORSON of Clayton

In compliance with a written request received March 24, 1986, a fiscal note for AMENDMENT H-3319 TO AMENDMENT H-3310 to House File 499 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Amendment H-3319 to Amendment H-3310 to House File 499 provides for the payment of state transportation to school districts, over and above state foundation aid, to assist school districts in funding greater than average public transportation costs. Under current law transportation costs are financed through a school district's general operating fund. The proposal would appropriate additional funds to school districts to finance per pupil transportation costs which exceed the state average per pupil transportation cost.

Assumptions:

1. Total public transportation costs for the 1985-86 school year were \$55.0 million and will increase 3.0 percent for the 1986-87 school year.
2. The allowable growth rate for the 1987-88 school year is 3.469 percent and will be 1.9 percent for the 1988-89 school year.

Fiscal Effect: For the 1988-89 school year, 318 districts are estimated to have per pupil transportation costs which exceed the state average per pupil transportation cost. The impact to the state general fund will be \$13.5 million.

Source: Legislative Fiscal Bureau

(LSB 2514H.5, TLJ)

FILED MARCH 24, 1987

BY DENNIS PROUTY, FISCAL DIRECTOR

-CLIP SHEET CORRECTION-
Please use this copy -
in place of all others.

HOUSE FILE 499
AMENDMENT H-3312
REVISED
FISCAL NOTE

In compliance with a written request received March 24, 1986, a fiscal note for AMENDMENT H-3312 to HOUSE FILE 499 REVISED is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Amendment H-3312 changes the methods of calculating a school district's budget enrollment, beginning with the 1988-89 school year. Under current law, the September 1978 certified enrollment count is used to calculate 25 percent of the budget enrollment, and the larger of the basic enrollment or the prior year's basic enrollment is used to calculate 75 percent of the budget enrollment. A school district is also guaranteed 102 percent of its previous year's regular program cost.

The proposal reduces the budget guarantee to 101.5 percent for the 1988-89 school year, and to 101 percent for every year thereafter. If the average per pupil district cost, calculated in certified enrollment, is greater than 120 percent of the state average per pupil district cost, in certified enrollment, the school district must reduce its budget by one-third of that difference. The budget reduction is accomplished by reducing the budget enrollment by an amount sufficient to reduce the budget by the aforementioned amount.

Assumptions:

1. Total taxable valuations for 1985 were \$74.34 billion and will increase 1.5 percent per year through 1987.
2. The September 1986 certified enrollment was 482,208 and will decline one percent each year thereafter.
3. The allowable growth rate for the 1987-88 school year is 3.469 percent and will be 2.0 percent for the 1988-89 school year.
4. The December 1986 special education weighting was 37,867 and will remain constant through the 1988-89 school year.
5. The September 1986 supplemental weighting was 1,409 and will remain constant through the 1988-89 school year.

Fiscal Effect:

	Fiscal Year 1988 (in millions)			Fiscal Year 1989 (in millions)		
	Current Law	Proposed Law	Increase (Decrease)	Current Law	Proposed Law	Increase (Decrease)
<u>EXPENDITURES</u>						
State Aid	\$ 808.0	\$ 808.0	\$ 0	\$ 841.5	\$ 837.1	\$ (4.4)
Prop. Taxes	746.0	746.0	0	743.5	742.8	(0.7)
TOTAL	\$ 1554.0	\$ 1554.0	\$ 0	\$ 1585.0	\$ 1579.9	\$ (5.1)

Sources: Department of Management
Iowa State Education Association

(LSB 2514H.4, TLJ)

HOUSE FILE 499

H-3234

1 Amend House File 499 as follows:

2 1. Page 17, by inserting after line 16 the
3 following:

4 "Sec. _____. Section 256.7, Code 1987, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 9. Develop plans for the
7 establishment of regional high schools throughout the
8 state, each enrolling students from two or more
9 elementary schools. The plans shall be reported to
10 the general assembly not later than January 15, 1988."

H-3234 FILED MARCH 20, 1987 BY METCALF of Polk

Law 2/24/87 (p. 802)

HOUSE FILE 499

H-3235

1 Amend House File 499 as follows:

2 1. By striking page 14, line 26, through page 37,
3 line 22.

4 2. Page 37, by striking line 23 and inserting the
5 following:

6 "Sec. _____. This Act, being".

H-3235 FILED MARCH 20, 1987 BY MAULSBY of Calhoun

W/D 3/25 (p. 827)

HOUSE FILE 499

H-3236

1 Amend House File 499 as follows:

2 1. Page 32, by striking lines 20 through 25 and
3 inserting the following: "budget year and shall
4 reduce the district's budget enrollment calculated
5 under paragraphs "a" and "b" by one-half that
6 difference."

H-3236 FILED MARCH 20, 1987 BY METCALF of Polk

Placed 3/25 (p. 832)

HOUSE FILE 499

H-3242

1 Amend House File 499 as follows:

2 1. Page 13, line 21, by striking the word

3 "Moneys" and inserting the following:

4 "Notwithstanding section 8.33, moneys".

5 2. Page 13, line 24, by inserting after the word

6 "shall" the following: "not".

7 3. Page 13, by striking line 25 and inserting the

8 following: "the state if the unencumbered balance in
9 the educational excellence fund does not exceed one
10 hundred million dollars."

H-3242 FILED MARCH 20, 1987 BY MAULSBY of Calhoun

Law 3/24 (p. 787)

HOUSE FILE 499

H-3206

- 1 Amend House File 499 as follows:
- 2 1. By striking page 15, line 31, through page 16,
- 3 line 22.
- 4 2. By striking page 22, line 31, through page 23,
- 5 line 11.
- 6 3. By striking page 28, line 34, through page 29,
- 7 line 7.
- 8 4. By striking page 30, line 22 through page 31,
- 9 line 23.

H-3206 FILED MARCH 17, 1987 BY DAGGETT of Adams
Adopted 3/24/87 (p 791) *Harbor of Mellen (p 748)*

HOUSE FILE 499

H-3207

- 1 Amend House File 499 as follows:
- 2 1. Page 17, by striking lines 10 through 16.

H-3207 FILED MARCH 17, 1987 BY DAGGETT of Adams
Placed o/c 3/24 (p 798) *Harbor of Mellen (p 748)*

HOUSE FILE 499

H-3215

- 1 Amend House File 499 as follows:
- 2 1. By striking page 16, line 23, through page 17,
- 3 line 9.
- 4 2. Page 21, by striking lines 17 through 30.

BY DAGGETT of Adams
DE GROOT of Lyon
CORBETT of Lyon
HILLMAN of Lyon
Adopted 3/24 (p 800) *Harbor of Mellen (p 748)*

HOUSE FILE 499

H-3221

- 1 Amend House File 499 as follows:
- 2 1. Page 20, by inserting after line 34 the
- 3 following: "If an eligible postsecondary institution
- 4 is an area school established under chapter 280A, the
- 5 contact hours of a pupil for which a tuition
- 6 reimbursement amount is received are not contact hours
- 7 eligible for general aid under chapter 286A."

H-3221 FILED MARCH 19, 1987 BY STROMER of Hancock
Adopted 3/25 (p 817)

H-3222

HOUSE FILE 499

- 1 Amend House File 499 as follows:
- 2 1. Page 20, line 28, by inserting after the word
- 3 "actual" the following: "and customary".

H-3222 FILED MARCH 19, 1987 BY STROMER of Hancock
Adopted 3/25 (p 817)

HOUSE FILE 499

H-3273

Amend House File 499 as follows:

1. By striking page 23, line 33, through page 24, line 35, and inserting the following:

"Sec. ____ . Section 279.34, Code 1987, is amended to read as follows:

279.34 FINANCIAL STATEMENT -- PUBLICATION.

In each school district, the board shall, during the second week of August of each year, publish by one insertion in at least one newspaper, ~~if there is a newspaper published in 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 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. ____ . Section 279.35, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

279.35 PUBLICATION OF PROCEEDINGS.

The proceedings of each regular, adjourned, or special meeting of the board, including the schedule of bills allowed, shall be published after the adjournment of the meeting in the manner provided in this section and section 279.36, and the publication of the schedule of the bills allowed shall include a list of claims allowed, including salary claims for services performed. The list shall include the name of the person or firm making the claim, the purpose of the claim, and the amount of the claim. However, salaries paid to individuals regularly employed by the district shall only be published annually and the publication shall include the total amount of the annual salary of each employee. The secretary shall furnish a copy of the proceedings to be published within two weeks following the adjournment of the meeting. Matters discussed in closed session pursuant to section 21.5 shall not be published until the matters are no longer confidential.

Sec. ____ . Section 279.36, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

279.36 PUBLICATION PROCEDURES AND FEE.

The requirements of sections 279.34 and 279.35 are satisfied by publication in at least one newspaper published in the district or, if there is none, in at least one newspaper having general circulation within the district.

1 For the fiscal year beginning July 1, 1987, the fee
2 for publications required under sections 279.34 and
3 279.35 shall not exceed three-fifths of the legal
4 publication fee provided by statute for the
5 publication of legal notices. For the fiscal year
6 beginning July 1, 1988, the fee for the publications
7 shall not exceed three-fourths of that legal
8 publication fee. For the fiscal year beginning July
9 1, 1989, and each fiscal year thereafter, the fee for
10 the publications shall be the legal publication fee
11 provided by statute."
12 2. Page 37, by striking line 22.

BY BLANSHAN of Greene
MILLER of Cherokee
VAN CAMP of Scott
PETERSEN of Muscatine
GRUHN of Dickinson

H-3273 FILED MARCH 23, 1987

*Adopted 3/25/87 (p. 824)
+ Motion to Reconsider (p. 845)*

HOUSE FILE 499

H-3237

1 Amend House File 499 as follows:
2 1. Page 5, line 23, by inserting after the word
3 "enrollment." the following: "For the fiscal year
4 beginning July 1, 1988 and each succeeding fiscal
5 year, phase II moneys shall only be allocated to
6 school districts that have a ratio of at least
7 seventeen pupils in certified enrollment for each
8 full-time equivalent teacher."
9 2. Page 5, line 24, by striking the word
10 "thereafter" and inserting the following: "after the
11 fiscal year beginning July 1, 1988".
12 3. Page 5, line 25, by inserting after the words
13 "correspond to" the following: "districts qualifying
14 for the phase II money,".
15 4. Page 5, line 26, by striking the word "state"
16 and inserting the following: "state,".
17 5. Page 8, line 26, by inserting after the word
18 "year." the following: "For the fiscal year beginning
19 July 1, 1988 and each succeeding fiscal year, phase
20 III moneys shall only be allocated to school districts
21 that have a ratio of at least seventeen pupils in
22 certified enrollment for each full-time equivalent
23 teacher."
24 6. Page 9, line 7, by inserting after the words
25 "correspond to" the following: "school districts
26 qualifying for the phase III money,".

H-3237 FILED MARCH 20, 1987 BY METCALF of Polk

H/D 3/24 (p. 725)

HOUSE FILE 499

H-3249

1 Amend House File 499 as follows:
2 1. By striking page 25, line 30 through page 28,
3 line 3.

BY MCKEAN of Jones
GARMAN of Story
HESTER of Pottawattamie

H-3249 FILED MARCH 23, 1987

Done 3/24

HOUSE FILE 499

H-3280

- 1 Amend House File 499 as follows:
2 1. Page 8, line 26, by striking the words "one
3 hundred ninety" and inserting the following: "two
4 hundred".
5 2. Page 8, line 29, by striking the words "one
6 hundred ninety" and inserting the following: "two
7 hundred".

BY CORBETT of Linn
HARBOR of Mills
PLASIER of Sioux

H-3280 FILED MARCH 23, 1987
W/D 3/24/87 (p. 785)

HOUSE FILE 499

H-3281

- 1 Amend House File 499 as follows:
2 1. Page 16, line 30, by inserting after the word
3 "twelve." the following: "The state board shall also
4 study the governance structure of the merged area
5 schools, including but not limited to governance at
6 the statewide level with a director of community
7 college education serving under a state board."
8 2. Page 16, line 32, by inserting after the
9 figure "1987." the following: "However, the report of
10 the plans relating to the governance structure of the
11 merged area schools shall be reported to the general
12 assembly not later than January 1, 1988."
13 3. Page 17, by striking lines 10 through 16.
14 4. Title page, line 12, by striking the words
15 "redrawing boundary lines of" and inserting the
16 following: "a governance structure for".
17 5. By renumbering sections as necessary.

H-3281 FILED MARCH 23, 1987 BY HAVERLAND of Polk
Adopted 3/24 (p. 798)

HOUSE FILE 499

H-3282

- 1 Amend House File 499 as follows:
2 1. Page 37, by inserting after line 21 the
3 following:
4 "Sec. ____ . Section 453.16, subsection 1,
5 unnumbered paragraph 1, Code 1987, is amended to read
6 as follows:
7 Before a deposit of public funds is made by a
8 public officer with a depository institution in excess
9 of the amount insured by federal deposit insurance or
10 federal savings and loan insurance, and-before-the
11 investment-of-public-funds-in-investments-authorized
12 in-section-452-10-which-either-are-not-obligations-of
13 or-guaranteed-by-the-United-States-government-or-any
14 of-its-agencies,-are-in-excess-of-the-amount-insured
15 by-federal-deposit-insurance-or-federal-savings-and
16 loan-insurance,-or-are-investments-by-the-treasurer-of
17 state-specifically-authorized-by-section-452-10-to-be
18 made-as-additional-investments-under-section-97B-7,
19 subsection-27-paragraph-"b", the public officer shall
20 obtain security for the deposit or investment by one
21 or more of the following:"

H-3282 FILED MARCH 23, 1987 BY HAVERLAND of Polk
Adopted 3/25 (p. 836)

HOUSE FILE 499

H-3249

- 1 Amend House File 499 as follows:
- 2 1. By striking page 25, line 30 through page 28,
- 3 line 3.

BY MCKEAN of Jones
 GARMAN of Story
 HESTER of Pottawattamie

H-3249 FILED MARCH 23, 1987

HOUSE FILE 499

H-3258

- 1 Amend House File 499 as follows:
- 2 1. By striking page 14, line 28 through page 15,
- 3 line 30.
- 4 2. By striking page 21, line 31 through page 22,
- 5 line 30.
- 6 3. Title page, line 7, by striking the words
- 7 "collective bargaining;"
- 8 4. By renumbering as necessary.

H-3258 FILED MARCH 23, 1987 BY BENNETT of Ida
(Adopted 3/24 (p. 750))

HOUSE FILE 499

H-3259

- 1 Amend House File 499 as follows:
- 2 1. Page 33, line 6, by inserting after the word
- 3 "year" the following: "and minus the amount included
- 4 in district cost per pupil for school transportation
- 5 costs for the base year".
- 6 2. Page 33, line 31, by striking the word
- 7 "weighted" and inserting the following: "budget".
- 8 3. Page 34, line 11, by striking the word
- 9 "weighted" and inserting the following: "budget".
- 10 4. Page 34, line 34, by striking the word
- 11 "weighted" and inserting the following: "budget".

H-3259 FILED MARCH 23, 1987 BY DAGGETT of Adams
A. W/O; B ruled 3/25 (p. 835)

HOUSE FILE 499

H-3263

- 1 Amend House File 499 as follows:
- 2 1. Page 32, by inserting after line 10 the
- 3 following:
- 4 "Sec. _____ Section 442.4, Code 1987, is amended by
- 5 adding the following new unnumbered paragraph after
- 6 the fourth unnumbered paragraph:
- 7 NEW UNNUMBERED PARAGRAPH. An eleventh or twelfth.
- 8 grade pupil who is no longer a resident of a
- 9 contiguous school district, but who was a resident of
- 10 the district during the preceding school year may
- 11 enroll in the district and shall be included in the
- 12 basic enrollment of the district until the pupil
- 13 graduates. Tuition for that pupil shall not be
- 14 charged by the district in which the pupil is
- 15 enrolled."

H-3263 FILED MARCH 23, 1987 BY HAVERLAND of Polk
(Adopted 3/25 (p. 842))

HOUSE FILE 499

3287

Amend House File 499 as follows:

1. Page 1, line 9, by striking the word "three" and inserting the following: "two".
2. Page 1, by striking line 10.
3. Page 1, by striking line 11 and inserting the following:
"Phase I -- The recruitment and retention of quality teachers."
4. Page 1, line 12, by striking the figure "III" and inserting the figure "II".
5. Page 3, by striking lines 9 through 12 and inserting the following:
 1. For Phase I, forty-seven million five hundred thousand (47,500,000) dollars.
 2. For Phase II, fifty million (50,000,000) dollars.
6. By striking page 3, line 13 through page 5, line 10.
7. Page 5, line 12, by striking the figure "II" and inserting the following: "I".
8. Page 5, line 14, by striking the figure "II" and inserting the following: "I".
9. Page 5, line 17, by striking the figure "II" and inserting the following: "I".
10. Page 5, line 18, by striking the figure "II" and inserting the following: "I".
11. Page 5, line 21, by striking the figure "II" and inserting the following: "I".
12. Page 5, by striking line 22 and inserting the following: "an amount equal to ninety-three dollars and seventy-seven cents".
13. Page 5, line 27 by striking the figure "II" and inserting the following: "I".
14. Page 5, line 30, by striking the figure "II" and inserting the following: "I".
15. Page 5, by striking line 31 and inserting the following: "amount equal to four dollars and thirty cents multiplied".
16. Page 6, line 1, by striking the figure "II" and inserting the following: "I".
17. Page 6, line 10, by striking the figure "II" and inserting the following: "I".
18. Page 6, line 17, by striking the figure "II" and inserting the following: "I".
19. Page 6, line 28, by striking the figure "II" and inserting the following: "I".
20. Page 6, line 33, by striking the figure "II" and inserting the following: "I".
21. Page 7, line 4, by striking the figure "II" and inserting the following: "I".

- 1 22. Page 7, by striking lines 17 through 23 and
- 2 inserting the following:
- 3 " ". All full-time teachers will receive an equal
- 4 amount from the phase I allocation."
- 5 23. Page 7, line 24, by striking the figure "II"
- 6 and inserting the following: "I".
- 7 24. Page 7, line 27, by striking the figure "II"
- 8 and inserting the following: "I".
- 9 25. Page 7, line 35, by striking the figure "II"
- 10 and inserting the following: "I".
- 11 26. Page 8, line 2, by striking the figure "II"
- 12 and inserting the following: "I".
- 13 27. Page 8, line 6, by striking the figure "III"
- 14 and inserting the following: "II".
- 15 28. Page 8, line 8, by striking the figure "III"
- 16 and inserting the following: "II".
- 17 29. Page 8, line 15, by striking the figure "III"
- 18 and inserting the following: "II".
- 19 30. Page 8, line 19, by striking the figure "III"
- 20 and inserting the following: "II".
- 21 31. Page 8, line 22, by striking the figure "III"
- 22 and inserting the following: "II".
- 23 32. Page 8, line 31, by striking the figure "III"
- 24 and inserting the following: "II".
- 25 33. Page 8, line 34, by striking the figure "III"
- 26 and inserting the following: "II".
- 27 34. Page 9, line 9, by striking the figure "III"
- 28 and inserting the following: "II".
- 29 35. Page 9, line 10, by striking the figure "III"
- 30 and inserting the following: "II".
- 31 36. Page 9, line 16, by striking the figure "III"
- 32 and inserting the following: "II".
- 33 37. Page 9, line 30, by striking the figure "III"
- 34 and inserting the following: "II".
- 35 38. Page 12, line 9, by striking the figure "III"
- 36 and inserting the following: "II".
- 37 39. Page 12, line 14, by striking the figure
- 38 "III" and inserting the following: "II".
- 39 40. Page 13, line 13, by striking the figure
- 40 "III" and inserting the following: "II".
- 41 41. Page 13, line 23, by striking the figure
- 42 "III" and inserting the following: "II".
- 43 42. Page 13, line 28, by striking the figure
- 44 "III" and inserting the following: "II".
- 45 43. Page 14, line 2, by striking the figure "III"
- 46 and inserting the following: "II".
- 47 44. Page 14, line 24, by striking the figure
- 48 "III" and inserting the following: "II".
- 49 45. Page 14, line 25, by striking the words "or
- 50 phase II".

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- 1 46. Title page, line 4, by striking the word
- 2 "three" and inserting the following: "two".

BY CONNORS of Polk
PETERS of Woodbury
BISIGNANO of Polk
SHERZAN of Polk
RUNNING of Linn
NEUHAUSER of Johnson

HOUSE FILE 499

H-3289

1 Amend House File 499 as follows:

2 1. Page 18, by inserting after line 32 the
3 following:

4 "Sec. _____. Section 256.13, Code 1987, is amended
5 to read as follows:

6 256.13 NONRESIDENT PUPILS.

7 The boards of directors of two or more school
8 districts may by agreement provide for attendance of
9 pupils residing in one district in the schools of
10 another district for the purpose of taking courses not
11 offered in the district of their residence. The
12 boards may also provide by agreement that the
13 districts will combine their enrollments for one or
14 more grades. Courses and grades made available to
15 students in this manner shall be considered as
16 complying with any standards or laws requiring the
17 offering of such courses and grades. The boards of
18 directors of districts entering into such agreements
19 may shall provide for sharing the costs and expenses
20 of the courses. If the agreement provides for whole
21 grade sharing, the costs and expenses shall be paid as
22 provided in sections 282.10 through 282.12."

23 2. Page 25, by inserting after line 29 the
24 following:

25 "Sec. _____. Section 280.15, Code 1987, is amended
26 to read as follows:

27 280.15 JOINT EMPLOYMENT AND SHARING.

28 Two or more public school districts may jointly
29 employ and share the services of any school personnel,
30 or acquire and share the use of classrooms,
31 laboratories, equipment and facilities. Classes made
32 available to students in the manner provided in this
33 section shall be considered as complying with the
34 requirements of section 275.1 relating to the
35 maintenance of kindergarten and twelve grades by a
36 school district. If students attend classes in
37 another school district under this section under an
38 agreement that provides for whole grade sharing, the
39 boards of directors of districts entering into these
40 agreements shall provide for sharing the costs and
41 expenses as provided in sections 282.10 through
42 282.12."

43 3. Page 29, by inserting after line 12 the
44 following:

45 "Sec. _____. Section 282.7, subsection 1, Code 1987,
46 is amended to read as follows:

47 1. The board of directors of a school district by
48 record action may discontinue any or all of grades
49 seven through twelve and negotiate an agreement for
50 attendance of the pupils enrolled in those grades in

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1 the schools of one or more contiguous school districts
2 having accredited school systems. If the board
3 designates more than one contiguous district for
4 attendance of its pupils, the board shall draw
5 boundary lines within the school district for
6 determining the school districts of attendance of the
7 pupils. The portion of a district so designated shall
8 be contiguous to the accredited school district
9 designated for attendance. Only entire grades may be
10 discontinued under this subsection and if a grade is
11 discontinued, all higher grades in that district shall
12 also be discontinued. A school district that has
13 discontinued one or more grades under this subsection
14 has complied with the requirements of section 275.1
15 relating to the maintenance of kindergarten and twelve
16 grades. A pupil who graduates from another school
17 district under this subsection shall receive a diploma
18 from the receiving district. ~~Tuition shall be paid by~~
19 ~~the resident district as provided in section 282.24,~~
20 ~~subsection 2.~~ The boards of directors entering into
21 an agreement under this section shall provide for
22 sharing the costs and expenses as provided in sections
23 282.10 through 282.12. The agreement shall provide
24 for transportation and authority and liability of the
25 affected boards.

26 Sec. ____ . NEW SECTION. 282.10 WHOLE GRADE
27 SHARING.

28 1. Whole grade sharing is a procedure used by
29 school districts whereby all or a substantial portion
30 of the pupils in any grade in two or more school
31 districts share an educational program for all or a
32 substantial portion of a school day under a written
33 agreement pursuant to section 256.13, 280.15, or
34 282.7, subsection 1. Whole grade sharing may either
35 be one-way or two-way sharing.

36 2. One-way whole grade sharing occurs when a
37 school district sends pupils to one or more other
38 school districts for instruction and does not receive
39 a substantial number of pupils from those districts in
40 return.

41 3. Two-way whole grade sharing occurs when a
42 school district sends pupils to one or more other
43 school districts for instruction and receives a
44 substantial number of pupils from those school
45 districts in return."

46 4. Page 29, line 14, by inserting after the word
47 "a" the following: "whole grade".

48 5. Page 29, line 19, by inserting before the word
49 "sharing" the following: "whole grade".

50 6. Page 30, by inserting after line 21 the

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1 following:

2 "Sec. ____ . NEW SECTION. 282.12 FUNDING.

3 1. An agreement for whole grade sharing shall
4 establish a method for determination of costs, if any,
5 associated with the sharing agreement.

6 2. For one-way sharing, the sending district shall
7 pay the district cost per pupil of the sending
8 district minus a per pupil amount for transportation
9 costs if the sending district does not provide the
10 transportation for the pupil sent to another district.

11 3. For two-way sharing, the costs shall be
12 determined by mutual agreement of the boards.

13 4. The number of pupils participating in a whole
14 grade sharing agreement shall be determined on the
15 third Friday of September and third Friday of February
16 of each year.

17 Sec. ____ . Section 282.24, subsection 2, Code 1987,
18 is amended to read as follows:

19 ~~2. The tuition fee charged by the board of~~
20 ~~directors for pupils attending school in the district~~
21 ~~under section 282.7, subsection 1, shall not exceed~~
22 ~~the actual cost of providing the educational program~~
23 ~~for either the high school or the junior high school~~
24 ~~in that district and shall not be less than the~~
25 ~~maximum tuition rate in that district. For the~~
26 purpose of this section, high school means a school
27 which commences with either grade nine or grade ten as
28 determined by the board of directors of the district,
29 and junior high school means the remaining grades
30 commencing with grade seven."

31 7. By numbering and renumbering sections as
32 necessary.

H-3289 FILED MARCH 23, 1987

Adopted 3/25/87 (p. 817)

Recommended amended (3359) v

Adopted 3/25 (p. 844)

BY BLANSHAN of Greene
CARPENTER of Polk

H-3285

HOUSE FILE 499

1 Amend House File 499 as follows:

2 1. Page 15, by striking lines 23 through 30.

H-3285 FILED MARCH 23, 1987

Adopted 3/24 (p. 790)

Placed 0/0 (p. 790)

BY BISIGNANO of Polk

- 1 Amend the amendment, H-3273, to House File 499 as
 2 follows:
- 3 1. Page 1, line 10, by inserting after the word
 4 "district" the following: "school newsletter, or
 5 shopper".
 - 6 2. Page 1, by striking lines 24 and 25 and
 7 inserting the following: "special meeting of the
 8 board shall be published after the".
 - 9 3. Page 1, by striking lines 27 through 36 and
 10 inserting the following: "this section and section
 11 279.36. The secretary shall".
 - 12 4. Page 1, by striking lines 39 through 41 and
 13 inserting the following: "meeting."
 - 14 5. Page 1, line 47, by inserting after the word
 15 "newspaper" the following: ", school newsletter, or
 16 shopper".
 - 17 6. Page 1, line 49, by inserting after the word
 18 "newspaper" the following: ", school newsletter, or
 19 shopper".
 - 20 7. Page 1, line 49, by inserting after the word
 21 "circulation" the following: "or distribution".
 - 22 8. Page 2, line 1, by inserting after the figure
 23 "1987" the following: "and each fiscal year
 24 thereafter".
 - 25 9. Page 2, by striking lines 5 through 11 and
 26 inserting the following: "publication of legal
 27 notices."

H-3349 FILED MARCH 25, 1987 BY NEUHAUSER of Johnson
 LOST (p. 824)

HOUSE FILE 499

H-3350

- 1 Amend the amendment, H-3312, to House File 499 as
 2 follows:
- 3 1. Page 5, by striking line 36 and inserting the
 4 following: "For each of the budget years beginning
 5 July 1, 1988, July 1, 1989, and July 1, 1990, the".
 - 6 2. Page 6, line 6, by striking the word "The" and
 7 inserting the following: "For the budget year
 8 beginning July 1, 1988, the".
 - 9 3. Page 6, line 10, by inserting after the word
 10 "year" the following: "multiplied by the basic
 11 enrollment of the district for that budget year. For
 12 the budget year beginning July 1, 1989, the budget
 13 reduction amount for a district is sixty-six and two-
 14 thirds percent of the difference between one hundred
 15 twenty percent of the state average cost per pupil and
 16 the average cost per pupil in the district for the
 17 budget year multiplied by the basic enrollment for the
 18 district for that budget year. For the budget year
 19 beginning July 1, 1990, the budget reduction amount is
 20 the difference between one hundred twenty percent of
 21 the state average cost per pupil and the average cost
 22 per pupil in the district for the budget year
 23 multiplied by the basic enrollment of the district for
 24 that budget year".
 - 25 4. Page 6, by striking lines 11 through 31.

H-3350 FILED MARCH 25, 1987
 ADOPTED (p. 829)

BY OLLIE of Clinton
 CARPENTER of Polk

HOUSE FILE 499

H-3291

1 Amend House File 499 as follows:

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

4 "However, a teacher employed by an area education
5 agency is not a teacher for the purposes of phase III
6 under division IV of this chapter except as provided
7 in section 294A.16."

8 2. By striking page 8, line 15, through page 14,
9 line 5.

10 "Sec. ____ . NEW SECTION. 294A.13 PHASE III
11 PROGRAM.

12 For the school year beginning July 1, 1987, and
13 succeeding school years, each school district that
14 meets the requirements of this section in the state is
15 eligible to receive moneys for the implementation
16 under phase III of a performance-based pay plan or
17 supplemental pay plan, or a combination of the two.
18 In order to be eligible to receive phase III moneys,
19 the board of directors of a school district shall
20 submit evidence to the department of education that
21 the contracts offered to its teachers for a year
22 require that the teacher complete at least one hundred
23 ninety working days during that year. Working days
24 added to the contract in excess of the number of
25 working days required for teachers during the school
26 year commencing July 1, 1986, to meet the one hundred
27 ninety day requirement shall not require the teacher
28 to teach students additional days. Moneys
29 appropriated for phase III may be used to reimburse
30 teachers for additional contract days required under
31 this section.

32 Sec. ____ . NEW SECTION. 294A.14 PHASE III
33 PAYMENTS.

34 Annually, the payments for an approved plan for a
35 school district are equal to the product of a
36 district's certified enrollment and one hundred three
37 dollars and sixty-nine cents. However, the department
38 of education shall adjust the amount for each student
39 enrolled to correspond to changes in the certified
40 enrollment and the moneys available for phase III,
41 when the moneys available are either more or less than
42 the moneys appropriated for phase III in section
43 294A.3.

44 If a school district has discontinued grades under
45 section 282.7, subsection 1, or students attend school
46 in another school district, under an agreement with
47 the board of the other school district, the board of
48 directors of the district of residence shall transmit
49 the phase III moneys allocated to the district for
50 those students based upon the full-time equivalent

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1 attendance of those students to the board of the
2 school district of attendance of the students.

3 A plan shall be developed using the procedure
4 specified under section 294A.15. The plan shall
5 provide for the establishment of a performance-based
6 pay plan, a supplemental pay plan, or a combination of
7 the two pay plans and shall include a budget for the
8 cost of implementing the plan. In addition to the
9 costs of providing additional salary for teachers and
10 the amount required to pay the employers' share of the
11 federal social security and Iowa public employees'
12 retirement system payments on the additional salary,
13 the budget may include costs associated with providing
14 specialized or general training. Moneys received
15 under phase III shall not be used to employ additional
16 employees of a school district. However, all teachers
17 employed are eligible to receive additional salary
18 under an approved plan.

19 For the purpose of this section, a performance-
20 based pay plan shall provide for salary increases for
21 teachers who demonstrate superior performance in
22 completing assigned duties. The plan shall include
23 the method used to determine superior performance of a
24 teacher which may include assessments of specific
25 teaching behavior, assessments of student performance,
26 assessments of other characteristics associated with
27 effective teaching, or a combination of these
28 criteria.

29 A performance-based pay plan may provide for
30 additional salary for individual teachers or for
31 additional salary for all teachers assigned to an
32 attendance center. If the plan provides additional
33 salary for all teachers assigned to an attendance
34 center, the receipt of additional salary by those
35 teachers shall be determined on the basis of whether
36 that attendance center meets specific objectives
37 adopted for that attendance center. The objectives
38 may include, but are not limited to, decreasing the
39 dropout rate, increasing the attendance rate, or
40 accelerating the achievement growth of students
41 enrolled in that attendance center.

42 If a performance-based pay plan provides additional
43 salary for individual teachers:

44 1. The plan may provide for salary moneys in
45 addition to the existing salary schedule of the school
46 district and may require the participation by the
47 teacher in specialized training requirements.

48 2. The plan may provide for salary moneys by
49 replacing the existing salary schedule or as an option
50 to the existing salary schedule and may include

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1 specialized training requirements, general training
2 requirements, and experience requirements.
3 For the purpose of this section, a supplemental pay
4 plan shall provide for the payment of additional
5 salary to teachers who participate in either
6 additional instructional work assignments or
7 specialized training during the regular school day or
8 during an extended school day, school week, or school
9 year.

10 Additional instructional work assignments may
11 include but are not limited to general curriculum
12 planning and development, vertical articulation of
13 curriculum, horizontal curriculum coordination,
14 development of educational measurement practices for
15 the school district, development of plans for
16 assisting beginning teachers during their first year
17 of teaching, attendance at summer staff development
18 programs, development of staff development programs
19 for other teachers to be presented during the school
20 year, and other plans locally determined in the manner
21 specified in section 294A.15 and approved by the
22 department of education under section 294A.16 that are
23 of equal importance or more appropriately meet the
24 educational needs of the school district.

25 Sec. ____ . NEW SECTION. 294A.15 DEVELOPMENT OF
26 PLAN.

27 The board of directors of a school district
28 desiring to receive moneys under phase III shall
29 appoint a committee consisting of representatives of
30 school administrators, teachers, parents, students,
31 and other individuals interested in the public schools
32 of the school district to develop a proposal. If the
33 school district is organized under chapter 20 for
34 collective bargaining purposes, the board shall
35 provide that one of the teacher members of the
36 committee is an individual selected by the certified
37 bargaining representative for certificated employees
38 of the district. The proposal developed by the
39 committee shall be submitted to the board of directors
40 of the school district prior to its submission to the
41 department of education. For the school year
42 beginning July 1, 1987, if the school district is
43 organized for collective bargaining purposes under
44 chapter 20, the portions of the proposed plan that are
45 within the scope of negotiations specified in section
46 20.9 require the mutual agreement by January 1, 1988,
47 of both the board of directors of the school district
48 and the certified bargaining representative for the
49 certificated employees. In succeeding years, if the
50 school district is organized for collective bargaining

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1 purposes, the portions of the proposed plan that are
2 within the scope of the negotiations specified in
3 section 20.9 are subject to chapter 20.

4 Nothing in this chapter shall be construed to
5 expand or restrict the scope of negotiations in
6 section 20.9.

7 Sec. ____ . NEW SECTION. 294A.16 SUBMISSION OF
8 PLAN.

9 A plan shall be submitted by the board of directors
10 of a school district to the department of education
11 not later than July 1 of a school year for that school
12 year. Amendments to multiple year plans may be
13 submitted annually.

14 If a school district uses teachers under a contract
15 between the district and the area education agency in
16 which the district is located, the school district
17 shall make provision for those teachers under phase
18 III.

19 The department of education shall review each plan
20 and notify the department of management of the names
21 of school districts with approved plans.

22 However, for the school year beginning July 1,
23 1987, a board of directors may submit a proposed plan
24 not later than January 1, 1988, and the department of
25 education shall notify the department of revenue and
26 finance not later than February 1, 1988. Moneys
27 allocated to a school district for an approved phase
28 III plan for a school year but not expended during
29 that school year shall revert to the general fund of
30 the state.

31 Sec. ____ . NEW SECTION. 294A.17 REPORT.

32 Each school district receiving moneys for phase III
33 during a school year shall file a report with the
34 department of education by July 1 of the next
35 following school year. The report shall describe the
36 plan, its implementation, and the expenditures made
37 under the plan including the salary increases paid to
38 each eligible employee. The report may include any
39 proposed amendments to the plan for the next following
40 school year.

41 Sec. ____ . NEW SECTION. 294A.18 REVERSION OF
42 MONEYS.

43 Any portion of moneys appropriated to the
44 educational excellence trust fund for phase III for a
45 fiscal year not expended by school districts during
46 that fiscal year revert to the general fund of the
47 state as provided in section 8.33."

48 3. By numbering and renumbering sections and
49 correcting internal references as necessary.

H-3291 FILED MARCH 23, 1987 BY CONNOLLY of Dubuque

#/S 3/24/87 (p. 774)

HOUSE FILE 499

H-3292

1 Amend House File 499 as follows:

2 1. Page 16, by inserting after line 22 the
3 following:

4 "Sec. ____ . Section 76.1, Code 1987, is amended to
5 read as follows:

6 76.1 MANDATORY RETIREMENT.

7 Hereafter issues of bonds of every kind and
8 character by counties, cities, and school corporations
9 shall be consecutively numbered. The annual levy, or
10 annual levy and income surtax, shall be sufficient to
11 pay the interest and approximately such that portion
12 of the principal of the bonds as will retire them in a
13 period not exceeding twenty years from date of issue.
14 Each issue of bonds shall be scheduled to mature
15 serially in the same order as numbered.

16 Sec. ____ . Section 76.2, unnumbered paragraphs 1
17 and 2, Code 1987, are amended to read as follows:

18 The governing authority of these political
19 subdivisions before issuing bonds shall, by
20 resolution, provide for the assessment of an annual
21 levy upon all the taxable property in the political
22 subdivision, or the assessment of an annual levy and
23 imposition of an income surtax, sufficient to pay the
24 interest and principal of the bonds within a period
25 named not exceeding twenty years. A certified copy of
26 this resolution shall be filed with the county auditor
27 or the auditors of the counties in which the political
28 subdivision is located; and the filing shall make
29 makes it a duty of the auditors to enter annually this
30 levy for collection from the taxable property within
31 the boundaries of the political subdivision until
32 funds are realized to pay the bonds in full. For
33 school districts using section 76.20, a copy of the
34 resolution also shall be filed with the director of
35 revenue and finance who is directed to impose a surtax
36 on the state income tax of individuals residing within
37 the boundaries of the school district until funds are
38 realized to pay the bonds in full. The levy shall
39 continue to be made against property that is severed
40 from the political subdivision after the filing of the
41 resolution until funds are realized to pay the bonds
42 in full.

43 If the resolution is filed prior to April 1 the
44 annual levy shall begin with the tax levy for
45 collection commencing July 1 of that year. If the
46 resolution is filed after April 1, the annual levy
47 shall begin with the tax levy for collection in the
48 next succeeding fiscal year. However, the governing
49 authority of a political subdivision may adjust a levy
50 of taxes made under this section for the purpose of

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1 adjusting the annual levies and collections for
2 property severed from the political subdivision,
3 subject to the approval of the state comptroller.

4 If the resolution includes the imposition of an
5 income surtax and it is filed prior to April 1, the
6 imposition of the surtax shall begin retroactive to
7 January 1 of that calendar year.

8 Sec. ____ . Section 76.3, Code 1987, is amended to
9 read as follows:

10 76.3 TAX LIMITATIONS.

11 Tax limitations in any a law or proposition for the
12 issuance of bonds or obligations, including any a law
13 or proposition for the issuance of bonds or
14 obligations in anticipation of levies or collections
15 of taxes or both, shall be based on the latest
16 equalized actual valuation then existing and shall
17 only restrict the amount of bonds or obligations which
18 may be issued. For the sole purpose of computing the
19 amount of bonds which may be issued as a result of the
20 application of a tax limitation, all interest on the
21 bonds or obligations in excess of that accruing in the
22 first twelve months may be excluded from the first
23 annual levy of taxes, so that the need for including
24 more than one year's interest in the first annual levy
25 of taxes to pay the bonds or obligations and interest
26 does not operate to further restrict the amount of
27 bonds or obligations which may be issued, and in
28 certifying the annual levies to the county auditor or
29 auditors the first annual levy of taxes shall be
30 sufficient to pay ~~all~~ the principal of and interest on
31 the bonds or obligations becoming due prior to the
32 next succeeding annual levy and the full amount of the
33 first annual levy shall be entered for collection by
34 the auditor or auditors, as provided in this chapter.
35 However, if a school district has approved the
36 imposition of an income surtax to pay a portion of the
37 principal and interest on the bonds or obligations,
38 this section applies only for the portion of the
39 principal and interest to be paid from the annual levy
40 of property taxes.

41 Sec. ____ . Section 76.4, Code 1987, is amended to
42 read as follows:

43 76.4 PERMISSIVE APPLICATION OF FUNDS.

44 ~~Whenever~~ If the governing authority of such a
45 political subdivision ~~shall have~~ has on hand funds
46 derived from ~~any other~~ a source other than taxation
47 which may be appropriated to the payment either of
48 interest or principal, or both principal and interest
49 of such bonds, ~~such~~ the funds may be so appropriated
50 and used and the levy for the payment of the bonds and

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1 surtax rate for the income tax, if voted,
2 correspondingly reduced.

3 Sec. ____ . Section 76.7, Code 1987, is amended to
4 read as follows:

5 76.7 PARTICULAR BONDS AFFECTED --PAYMENT.

6 Counties, cities and school corporations may at any
7 time or-times extend or renew any legal indebtedness
8 or any part thereof of the indebtedness they may have
9 represented by bonds or certificates where such the
10 indebtedness is payable from a limited annual tax or
11 from a voted annual tax or income surtax, and may by
12 resolution fund or refund the same legal indebtedness
13 and issue bonds therefor running not more than twenty
14 years to be known as funding or refunding bonds, and
15 make provision for the payment of the principal and
16 interest thereof from the proceeds of an annual tax or
17 annual tax and income surtax for the period covered by
18 such the bonds similar to the tax authorized by law or
19 by the electors for the payment of the indebtedness so
20 extended or renewed.

21 Sec. ____ . NEW SECTION. 76.20 PAYMENTS OF SCHOOL
22 DISTRICT BONDS.

23 If the board of directors of a school district
24 calls an election on the issuance of general
25 obligation bonds under section 296.3, the board may
26 vote by resolution to include as a separate
27 proposition at the same election, a proposition to pay
28 the principal and interest of the bonds, fifty percent
29 by pledging the proceeds of a property tax levy and
30 fifty percent by pledging the proceeds of an income
31 surtax. If the board does not adopt a resolution to
32 include the proposition on the ballot, a petition
33 signed by eligible electors equal in number to twenty
34 percent of the voters at the last preceding school
35 election may be filed with the board directing that
36 the proposition be placed on the ballot as a separate
37 proposition from the vote on the issuance of the
38 bonds. Notice of the separate proposition shall be
39 given by the county commissioner of elections by
40 publication in accordance with section 49.53. The
41 notice shall identify the bonds for which the property
42 tax and income surtax proceeds would be pledged to pay
43 the principal and interest and the number of years
44 that the income surtax and the property tax levy shall
45 be imposed.

46 The separate proposition shall state the question
47 of whether the board of directors is authorized to pay
48 the principal and interest of the bonds fifty percent
49 by pledging the proceeds of a property tax levy and
50 fifty percent by pledging the proceeds of an income

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1 surtax. The proposition carries if approved by a
2 majority of those voting on it.

3 For bond issues approved prior to the effective
4 date of this section, upon the receipt of a petition
5 signed by twenty-five percent of the number of voters
6 at the preceding regular school election, or upon the
7 board's own motion, the board shall call a special
8 election to determine whether to approve a proposition
9 to pay the remaining principal and interest of the
10 bonds, fifty percent by pledging the proceeds of a
11 property tax levy and fifty percent by pledging the
12 proceeds of an income surtax. If a majority of the
13 voters at the election approve the proposition,
14 sections 76.21 through 76.24 apply.

15 Sec. ____ . NEW SECTION. 76.21 AMOUNT REQUIRED.

16 Except as otherwise provided in section 76.24, the
17 board of directors shall estimate and certify to the
18 board of supervisors of the proper county for the
19 schoolhouse fund, the amount required from property
20 tax revenues to pay fifty percent of the amount of the
21 principal and interest due on the bonds. The board of
22 directors shall estimate and certify to the director
23 of revenue and finance for the schoolhouse fund, the
24 amount required from the income surtax to pay fifty
25 percent of the amount of the principal and interest
26 due on the bonds.

27 Annually the director of revenue and finance shall
28 establish the rate of the income surtax based upon an
29 average of the income tax collections in the school
30 district for the three preceding years.

31 Sec. ____ . NEW SECTION. 76.22 INCOME SURTAX.

32 The income surtax shall be imposed on the state
33 individual income tax for each calendar year, or for a
34 taxpayer's fiscal year ending during the second half
35 of that calendar year or the first half of the
36 succeeding calendar year, and shall be imposed on all
37 individuals residing in the school district on the
38 last day of the applicable tax year. As used in this
39 section, "state individual income tax" means the tax
40 computed under section 422.5, less the deductions
41 allowed in sections 422.10, 422.11, and 422.12.

42 Sections 442.16, 442.17, 442.19, and 442.20 apply
43 to the income surtax established in this section. The
44 director of revenue and finance shall deposit all
45 moneys received as income surtax to the credit of each
46 district from which the moneys are received, in an
47 "income surtax fund" which is established in the
48 office of the treasurer of state.

49 Annually, after crediting to the department of
50 revenue and finance a reasonable amount for costs of

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administration, the treasurer of state shall remit to the school districts which have imposed an income surtax their share of the balance in the income surtax fund. The proceeds of the tax shall be pledged for the payment of fifty percent of the principal and interest on the bonds specified on the ballot proposition. The costs of administration shall be determined by the department of revenue and finance, and shall be based on a share of the total cost of administering the department, in the same proportion as the amount of income surtax collected is to the amount of state income taxes collected.

13 Sec. ____ . NEW SECTION. 76.23 TAX FORMS.

14 The department of revenue and finance shall supply 15 appropriate forms, or provide space on the regular 16 state income tax forms, for reporting school district 17 income tax liability, and shall administer the income 18 surtax as nearly as possible in conjunction with the 19 administration of the state income tax law, for 20 purposes of economy and efficiency. The department of 21 revenue and finance shall adopt rules to carry out the 22 income surtax under sections 76.20 through 76.24.

23 Sec. ____ . NEW SECTION. 76.24 INCOME SURTAX 24 ACCOUNT.

25 Notwithstanding section 76.21, the first year in 26 which the income surtax is collected after the 27 issuance of bonds, the percent of income surtax 28 imposed shall be double the percent calculated under 29 section 76.21. The excess collected above the amount 30 necessary to pay principal and interest on the bonds 31 shall be placed in a separate income surtax account in 32 the schoolhouse fund to be used to supplement the 33 principal and interest payments during years in which 34 the amount of income surtax collected is insufficient 35 to make the required payments.

36 In any year that the amount of income surtax 37 collected plus the amount in the separate account are 38 insufficient, the board of directors shall pay the 39 remaining amount due from moneys in the general fund 40 of the school district and the board of directors 41 shall repay the amount borrowed when funds are 42 available in the separate account.

43 For the last year in which principal and interest 44 are due, an income surtax shall not be imposed and the 45 amount of the property tax levy shall be adjusted so 46 that the proceeds from the property tax levy plus the 47 amount contained in the income surtax account of the 48 school district are sufficient to pay off the bonds."

49 2. Page 31, by inserting after line 23 the 50 following:

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1 "Sec. ____ . Section 298.18, Code 1987, is amended
2 by adding the following new unnumbered paragraph:
3 NEW UNNUMBERED PARAGRAPH. The limits specified in
4 this section apply if only a property tax levy is
5 utilized to repay lawful bonded indebtedness. If a
6 school district has adopted a proposition in which
7 repayment of bonds is to be collected fifty percent
8 from the proceeds of a property tax levy and fifty
9 percent from the proceeds of an income surtax, the
10 limits on the property tax levy prescribed in this
11 section shall be one dollar and thirty-five cents and
12 two dollars and three cents respectively."
13 3. Title page, line 14, by inserting after the
14 word "conditions;" the following: "permissive use of
15 income surtax for payment of bond issues;".
16 4. By numbering and renumbering sections as
17 necessary.

H-3292 FILED MARCH 23, 1987 BY STROMER of Hancock

*Loss 3/24/87 (p. 798)
Motion to Reconsider (p. 801)*

HOUSE FILE 499

H-3296

1 Amend House File 499 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "DIVISION I

5 EDUCATIONAL EXCELLENCE PROGRAM

6 Section 1. NEW SECTION. 294A.1 EDUCATIONAL
7 EXCELLENCE PROGRAM.

8 The purpose of this chapter is to promote
9 excellence in education. In order to maintain and
10 advance the educational excellence in the state of
11 Iowa, this chapter establishes the Iowa educational
12 excellence program. The program shall consist of
13 three major phases addressing the following:

14 1. Phase I -- The recruitment of quality teachers.
15 2. Phase II -- The retention of quality teachers.
16 3. Phase III -- The enhancement of the quality and
17 effectiveness of teachers through the utilization of
18 performance pay.

19 Sec. 2. NEW SECTION. 294A.2 DEFINITIONS.

20 For the purposes of this chapter:

21 1. "Teacher" means an individual holding a
22 teaching certificate issued under chapter 260 or a
23 statement of professional recognition issued by the
24 board of educational examiners who is employed in a
25 nonadministrative position by a school district or
26 area education agency pursuant to a contract issued by
27 a board of directors under section 279.13. However, a
28 teacher employed by an area education agency is not a
29 teacher for the purposes of phase III under division
30 IV of this chapter.

31 2. "Teacher's regular compensation" means the
32 annual salary specified in a teacher's contract
33 pursuant to the salary schedule adopted by the board
34 of directors or negotiated under chapter 20. It does
35 not include pay earned by a teacher for performance of
36 additional noninstructional duties and does not
37 include the costs of the employer's share of fringe
38 benefits.

39 3. "Certified enrollment in a school district"
40 means that district's basic enrollment for the budget
41 year beginning July 1, 1987 as defined in section
42 442.4.

43 4. "Certified enrollment in an area education
44 agency" means the sum of the certified enrollments of
45 the school districts located in the area education
46 agency.

47 5. "Specialized training requirements" means
48 requirements prescribed by a board of directors to
49 meet specific needs of the school district identified
50 by the board of directors that provide for the

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1 acquisition of clearly defined skills through formal
2 or informal education that are beyond the requirements
3 necessary for initial certification under chapter 260.
4 6. "General training requirements" means
5 requirements prescribed by a board of directors that
6 provide for the acquisition of additional semester
7 hours of graduate credit from an institution of higher
8 education approved by the board of educational
9 examiners or the completion of staff development
10 activities approved by the department of education for
11 renewal of certificates issued under chapter 260.

12 Sec. 3. NEW SECTION. 294A.3 EDUCATIONAL
13 EXCELLENCE FUND.

14 An educational excellence fund is established in
15 the office of treasurer of state to be administered by
16 the department of education. Moneys in the fund shall
17 be paid to school districts and area education
18 agencies pursuant to the requirements of this chapter.

19 Annually beginning July 1, 1987, there is
20 appropriated from the general fund of the state to the
21 department of education for deposit in the educational
22 excellence fund the following amounts:

- 23 1. For phase I, nine million (9,000,000) dollars.
- 24 2. For phase II, thirty-eight million five hundred
25 thousand (38,500,000) dollars.
- 26 3. For phase III, fifty million (50,000,000)
27 dollars.

28 DIVISION II
29 PHASE I

30 Sec. 4. NEW SECTION. 294A.4 GOAL.

31 The goal of phase I is to provide for establishment
32 of pay plans incorporating sufficient annual
33 compensation to attract quality teachers to Iowa's
34 public school system. This is accomplished by
35 increasing the minimum salary. A beginning salary
36 which is competitive with salaries paid to other
37 professionals will provide incentive for top quality
38 individuals to enter the teaching profession.

39 Sec. 5. NEW SECTION. 294A.5 MINIMUM SALARY
40 SUPPLEMENT.

41 For the school year beginning July 1, 1987 and
42 succeeding school years, the minimum annual salary
43 paid to a full-time teacher as regular compensation
44 shall be eighteen thousand dollars.

45 For the school year beginning July 1, 1987 for
46 phase I, each school district and area education
47 agency shall certify to the department of education
48 the names of all teachers employed by the district or
49 area education agency whose regular compensation is
50 less than eighteen thousand dollars per year and the

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1 amounts needed as minimum salary supplements. The
2 minimum salary supplement for each eligible teacher is
3 the total of the difference between eighteen thousand
4 dollars and the teacher's regular compensation plus
5 the amount required to pay the employer's share of the
6 federal social security and Iowa public employees'
7 retirement system payments on the additional salary
8 moneys.

9 The board of directors shall report the salaries of
10 teachers employed on less than a full-time equivalent
11 basis, and the amount of minimum salary supplement
12 shall be prorated.

13 Sec. 6. NEW SECTION. 294A.6 PAYMENTS.

14 For the school year beginning July 1, 1987, the
15 department of education shall notify the department of
16 revenue and finance of the total minimum salary
17 supplement to be paid to each school district and area
18 education agency under phase I. The amount of the
19 total minimum salary supplement paid to a school
20 district or area education agency for the school year
21 beginning July 1, 1987 shall be paid to that school
22 district or area education agency in succeeding school
23 years from moneys appropriated in section 294A.3 and
24 shall be used to increase teacher salaries. The
25 department of revenue and finance shall pay the total
26 minimum salary supplement moneys from moneys
27 appropriated for that purpose in the educational
28 excellence fund.

29 If the moneys appropriated for phase I in section
30 294A.3, subsection 1, are either insufficient or
31 moneys remain after payments are made for a fiscal
32 year, moneys shall be transferred from or added to the
33 moneys appropriated for phase III.

34 DIVISION III

35 PHASE II

36 Sec. 7. NEW SECTION. 294A.7 GOAL.

37 The goal of phase II is to keep Iowa's best
38 educators in the profession and assist in their
39 development by providing general salary increases.

40 Sec. 8. NEW SECTION. 294A.8 PHASE II PROGRAM.

41 Phase II is established to improve the salaries of
42 teachers. Annually beginning July 1, 1987, the
43 department of education shall allocate to each school
44 district for the purpose of implementing phase II an
45 amount equal to seventy-five dollars and ninety-three
46 cents multiplied by the district's certified
47 enrollment. Annually beginning July 1, 1987, the
48 department of education shall allocate to each area
49 education agency for the purpose of implementing phase
50 II an amount equal to three dollars and ninety-one

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1 cents multiplied by the certified enrollment in the
2 area education agency. The department of education
3 shall certify the amounts of the allocations to the
4 department of revenue and finance and the department
5 of revenue and finance shall make the payments to
6 school districts and area education agencies.

7 If a school district uses teachers under a contract
8 with an area education agency, the school district
9 shall transmit to the employing area education agency
10 a portion of its phase II allocation based upon the
11 portion of the certified enrollment taught by the
12 teacher.

13 If the school district or area education agency is
14 organized under chapter 20 for collective bargaining
15 purposes, the board of directors and certified
16 bargaining representative for the certificated
17 employees shall mutually agree upon a formula for
18 distributing the phase II allocation among the
19 teachers. For the school year beginning July 1, 1987
20 only, the parties shall follow the procedures
21 specified in chapter 20 except that if the parties
22 reach an impasse, neither impasse procedures agreed to
23 by the parties nor sections 20.20 through 20.22 shall
24 apply and the phase II allocation shall be divided as
25 provided in section 294A.9. Negotiations under this
26 section are subject to the scope of negotiations
27 specified in section 20.9. If a board of directors
28 and certified bargaining representative for
29 certificated employees have not reached mutual
30 agreement by June 15, 1987 for the distribution of the
31 phase II payment, section 294A.9 will apply.

32 If the school district or area education agency is
33 not organized for collective bargaining purposes, the
34 board of directors shall determine the method of
35 distribution.

36 Sec. 9. NEW SECTION. 294A.9 FAILURE TO AGREE ON
37 DISTRIBUTION.

38 For the school year beginning July 1, 1987 only, if
39 the board of directors and certified bargaining
40 representative for the certificated employees have not
41 reached agreement under section 294A.8, the board of
42 directors shall divide the payment among the teachers
43 employed by the district or area education agency as
44 follows:

45 1. All full-time teachers whose regular
46 compensation is equal to or more than eighteen
47 thousand dollars per year will receive an equal amount
48 from the phase II allocation.

49 2. A teacher who will receive a minimum salary
50 supplement under section 294A.5 will receive moneys

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1 equal to the difference between the amount from the
2 phase II allocation and the minimum salary supplement
3 paid to that teacher.

4 3. The amount from the phase II allocation will be
5 prorated for a teacher employed on less than a full-
6 time basis.

7 4. An amount from the phase II allocation includes
8 the amount required to pay the employers' share of the
9 federal social security and Iowa public employees'
10 retirement system payments on the additional salary.

11 Sec. 10. NEW SECTION. 294A.10 REPORTS.

12 By August 15, 1987, each school district and area
13 education agency shall file a report with the
14 department of education, on forms provided by the
15 department of education, specifying the method used to
16 distribute the phase II allocation.

17 Reports filed by area education agencies shall
18 include a description of the method used to distribute
19 phase II allocations to teachers employed by the area
20 education agency working under contract in a school
21 district.

22 DIVISION IV

23 PHASE III

24 Sec. 11. NEW SECTION. 294A.11 GOAL.

25 The goal of phase III is to enhance the quality,
26 effectiveness, and performance of Iowa's teachers by
27 promoting teacher excellence. This will be
28 accomplished through the development of performance-
29 based pay plans and supplemental pay for additional
30 instructional work assignments which may include
31 specialized training or differential training, or
32 both.

33 Sec. 12. NEW SECTION. 294A.12 PHASE III PROGRAM.

34 For the school year beginning July 1, 1987 and
35 succeeding school years, each school district in the
36 state is eligible to receive moneys for the
37 implementation of a performance-based pay plan under
38 phase III. Annually, the payments for an approved
39 plan for a school district are equal to the product of
40 a district's certified enrollment and one hundred
41 three dollars and sixty-nine cents. However, the
42 department of education may adjust the per pupil
43 amount for determining payments for an approved phase
44 III plan when the moneys available for phase III are
45 either more or less than the moneys appropriated for
46 phase III in section 294A.3 because of transfers of
47 appropriated moneys under section 294A.6 or section
48 294A.8.

49 A plan shall be developed using the procedure
50 specified under section 294A.13. The plan shall

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1 provide for the establishment of a performance-based
2 pay plan, a supplemental pay plan, or a combination of
3 the two pay plans and shall include a budget for the
4 cost of implementing the plan. In addition to the
5 costs of providing additional salary for teachers and
6 the amount required to pay the employers' share of the
7 federal social security and Iowa public employees'
8 retirement system payments on the additional salary,
9 the budget may include costs associated with providing
10 specialized or general training. Moneys received
11 under phase III shall not be used to employ additional
12 employees of a school district. However, all teachers
13 employed are eligible to receive additional salary
14 under an approved plan.

15 For the purpose of this section, a performance-
16 based pay plan shall provide for salary increases for
17 teachers who demonstrate superior performance in
18 completing assigned duties. The plan shall include
19 the method used to determine superior performance of a
20 teacher which may include assessments of specific
21 teaching behavior, assessments of student performance,
22 assessments of other characteristics associated with
23 effective teaching, or a combination of these
24 criteria.

25 A performance-based pay plan may provide for
26 additional salary for individual teachers or for
27 additional salary for all teachers assigned to an
28 attendance center. If the plan provides additional
29 salary for all teachers assigned to an attendance
30 center, the receipt of additional salary by those
31 teachers shall be determined on the basis of whether
32 that attendance center meets specific objectives
33 adopted for that attendance center. The objectives
34 may include, but are not limited to, decreasing the
35 dropout rate, increasing the attendance rate, or
36 accelerating the achievement growth of students
37 enrolled in that attendance center.

38 If a performance-based pay plan provides additional
39 salary for individual teachers:

40 1. The plan may provide for salary moneys in
41 addition to the existing salary schedule of the school
42 district and may require the participation by the
43 teacher in specialized training requirements.

44 2. The plan may provide for salary moneys by
45 replacing the existing salary schedule or as an option
46 to the existing salary schedule and may include
47 specialized training requirements, general training
48 requirements, and experience requirements.

49 For the purpose of this section, a supplemental pay
50 plan shall provide for the payment of additional

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1 salary to teachers who participate during a school
2 year in either additional instructional work
3 assignments or specialized training.

4 Sec. 13. NEW SECTION. 294A.13 DEVELOPMENT OF
5 PLAN.

6 The board of directors of a school district
7 desiring to receive moneys under phase III shall
8 appoint a committee consisting of representatives of
9 school administrators, teachers, parents, students,
10 and other individuals interested in the public schools
11 of the school district to develop a proposal. If the
12 school district is organized under chapter 20 for
13 collective bargaining purposes, the board shall
14 provide that one of the teacher members of the
15 committee is an individual selected by the certified
16 bargaining representative for certificated employees
17 of the district. The proposal developed by the
18 committee shall be submitted to the board of directors
19 of the school district prior to its submission to the
20 department of education. For the school year
21 beginning July 1, 1987, if the school district is
22 organized for collective bargaining purposes under
23 chapter 20, the portions of the proposed plan that are
24 within the scope of negotiations specified in section
25 20.9 require the mutual agreement by January 1, 1988
26 of both the board of directors of the school district
27 and the certified bargaining representative for the
28 certificated employees. In succeeding years, if the
29 school district is organized for collective bargaining
30 purposes, the portions of the proposed plan that are
31 within the scope of the negotiations specified in
32 section 20.9 are subject to chapter 20.

33 Nothing in this chapter shall be construed to
34 expand or restrict the scope of negotiations in
35 section 20.9.

36 Sec. 14. NEW SECTION. 294A.14 SUBMISSION OF
37 PLAN.

38 A plan shall be submitted by the board of directors
39 of a school district to the department of education
40 not later than July 1 of a school year for that school
41 year. Amendments to multiple year plans may be
42 submitted annually.

43 The department of education shall review each plan
44 and notify the department of management of the names
45 of school districts with approved plans.

46 However, for the school year beginning July 1,
47 1987, a board of directors may submit a proposed plan
48 not later than January 1, 1988, and the department of
49 education shall notify the department of revenue and
50 finance not later than February 1, 1988.

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1 Moneys allocated to a school district for the
2 school year beginning July 1, 1987 for an approved
3 plan for phase III that are not expended for that
4 school year shall not revert to the general fund of
5 the state but may be expended by that school district
6 during the school year beginning July 1, 1988. For
7 school years thereafter, moneys allocated to a school
8 district for an approved phase III plan for a school
9 year but not expended during that school year shall
10 revert to the general fund of the state.

11 Sec. 15. NEW SECTION. 294A.15 REPORT.

12 Each school district receiving moneys for phase III
13 during a school year shall file a report with the
14 department of education by July 1 of the next
15 following school year. The report shall describe the
16 plan, its implementation, and the expenditures made
17 under the plan including the salary increases paid to
18 each eligible employee. The report may include any
19 proposed amendments to the plan for the next following
20 school year.

21 Sec. 16. NEW SECTION. 294A.16 REVERSION OF
22 MONEYS.

23 Any portion of moneys appropriated to the
24 educational excellence trust fund for phase III for a
25 fiscal year not expended by school districts during
26 that fiscal year revert to the general fund of the
27 state as provided in section 8.33.

28 DIVISION V

29 GENERAL PROVISIONS

30 Sec. 17. NEW SECTION. 294A.17 RULES.

31 The state board of education shall adopt rules
32 under chapter 17A for the administration of this
33 chapter.

34 Sec. 18. NEW SECTION. 294A.18 PAYMENTS.

35 Payments for each phase of the educational
36 excellence program shall be made by the department of
37 revenue and finance on a quarterly basis and may be
38 made in conjunction with state aid payments under
39 section 442.26. The payments to a school district or
40 area education agency may be combined and a separate
41 accounting of the amount paid for each program shall
42 be included.

43 Any payments made to school districts or area
44 education agencies under this chapter are
45 miscellaneous income for purposes of chapter 442.

46 Sec. 19. NEW SECTION. 294A.19 MULTIPLE SALARY
47 PAYMENTS.

48 The salary increases that may be granted to a
49 teacher under phase III are in addition to any salary
50 increases granted to a teacher under phase I or phase

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II.

DIVISION VI
APPROPRIATIONS

2
3
4 Sec. 20. APPROPRIATION TO THE DEPARTMENT OF
5 EDUCATION. There is appropriated from the general
6 fund of the state to the department of education for
7 the fiscal year beginning July 1, 1987 and ending June
8 30, 1988, the sum of nine hundred thousand (900,000)
9 dollars, or so much thereof as may be necessary, to be
10 used for the following purposes:

11 1. For the administration
12 of the educational excellence program
13 established in chapter 294A \$ 250,000

14 2. To be distributed to
15 school districts for pilot projects
16 to deliver additional foreign
17 language courses in school districts \$ 500,000

18 Moneys appropriated by this subsection shall only be
19 distributed to school districts not now offering these
20 foreign language courses and may provide for the use
21 of new communications technologies.

22 3. For contracting with the
23 state board of regents to provide a
24 three week summer residence program for
25 gifted and talented students \$ 150,000

26 The summer institute shall be conducted at an
27 institution of higher education under the state board
28 of regents. The department of education shall
29 determine eligibility requirements for gifted and
30 talented students.

31 Sec. 21. TAX ANTICIPATION NOTES APPROPRIATION.
32 There is appropriated from the general fund of the
33 state to the treasurer of state for the fiscal year
34 beginning July 1, 1987 and ending June 30, 1988, the
35 sum of three million (3,000,000) dollars, or so much
36 thereof as may be necessary, to be used for costs
37 associated with the issuance of tax anticipation notes
38 under section 12.36 deemed necessary to ensure that
39 the appropriations made in section 442.26 are paid to
40 school districts and area education agencies on the
41 dates provided in that section.

42 Sec. 22. Sections 1 through 19 being deemed of
43 immediate importance take effect upon enactment."
44 2. Title page, by striking lines 1 through 23 and
45 inserting the following: "An Act to establish an
46 educational excellence program consisting of three
47 phases relating to the recruitment of quality
48 teachers, the retention of quality teachers, and the
49 enhancement of the quality and effectiveness of
50 teachers, to provide appropriations, and to provide an

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1 effective date."

BY DAGGETT of Adams
PAULIN of Plymouth
MILLER of Cherokee
SHONING of Woodbury
GARMAN of Story
HESTER of Pottawattamie
EDDIE of Buena Vista

PETERSEN of Muscatine
BENNETT of Ida
PLASIER of Sioux
HALVORSON of Clayton
CORBETT of Linn
LAGESCHULTE of Bremer
COREY of Louisa

H-3296 FILED MARCH 23, 1987

L. at 3/24/87 (p. 770)

HOUSE FILE 499

H-3290

1 Amend House File 499 as follows:

2 1. Page 21, by inserting after line 30, the
3 following:

4 "Sec. ____ . NEW SECTION. 273.14 ADMINISTRATION.

5 Beginning July 1, 1988, the board of directors of
6 an area education agency and the board of directors of
7 the merged area school encompassing primarily the same
8 area may vote, by a majority of both boards, to
9 combine the administrative units of both boards into
10 one administrative unit. All statutes relating to the
11 functions of and funding of the area education agency
12 and the merged area school shall be applicable. If
13 the boards of directors approve the action, the
14 question shall be submitted to the electors of the
15 area at a special election in the manner specified in
16 section 280A.39."

17 2. Page 29, by inserting after line 12, the
18 following:

19 "Sec. ____ . NEW SECTION. 280A.44 ADMINISTRATION.

20 Beginning July 1, 1988, the board of directors of a
21 merged area school and the board of directors of the
22 area education agency encompassing primarily the same
23 area may vote, by a majority of both boards, to
24 combine the administrative units of both boards into
25 one administrative unit. All statutes relating to the
26 functions of and funding of the merged area school and
27 the area education agency shall be applicable. If the
28 boards of directors approve the action, the question
29 shall be submitted to the electors of the area at a
30 special election in the manner specified in section
31 280A.39."

BY HAVERLAND of Polk
DE GROOT of Lyon
MILLER of Cherokee

H-3290 FILED MARCH 23, 1987

(Adopted 3/25 (p. 818))

HOUSE FILE 499

H-3299

- 1 Amend House File 499 as follows:
2 1. Page 30, by inserting after line 33 the
3 following:
4 "Sec. ____ . Section 297.22, Code 1987, is amended
5 by adding the following new unnumbered paragraph after
6 unnumbered paragraph 1:
7 NEW UNNUMBERED PARAGRAPH. The board of directors
8 of a school district shall give preference to a real
9 estate agency domiciled in this state when contracting
10 for the services of a real estate salesperson or
11 broker for the purpose of selling real estate owned by
12 the school district. A school district may contract
13 with a real estate agency domiciled in this state even
14 though its bid for comparable services is up to five
15 percent above the bid of a real estate agency not
16 domiciled in this state."
17 2. By renumbering as necessary.

H-3299 FILED MARCH 23, 1987 BY PAVICH of Pottawattamie
Placed o/o 3/25/87 (p. 828)

HOUSE FILE 499

H-3300

- 1 Amend House File 499 as follows:
2 1. Page 8, line 26, by striking the words "one
3 hundred ninety" and inserting the following: "two
4 hundred".
5 2. Page 8, line 29, by striking the words "one
6 hundred ninety" and inserting the following: "two
7 hundred".
8 3. Page 8, by striking line 30 and inserting the
9 following: "shall require the teacher to teach
10 students ten additional".

H-3300 FILED MARCH 23, 1987 BY PLASIER of Sioux
CORBETT of Linn
Lost 3/24 (p. 786)

HOUSE FILE 499

H-3301

- 1 Amend House File 499 as follows:
2 1. Page 13, line 21, by striking the word
3 "Moneys" and inserting the following:
4 "Notwithstanding section 8.33, moneys".
5 2. Page 13, line 23, by striking the words "a
6 school year" and inserting the following: "the school
7 year beginning July 1, 1987 only."
8 3. Page 13, line 24, by inserting after the word
9 "shall" the following: "not".
10 4. Page 13, by striking line 25 and inserting the
11 following: "the state, but may be expended during the
12 next following school year."

H-3301 FILED MARCH 23, 1987 BY BENNETT of Ida
GARMAN of Story
PETERSEN of Muscatine
LAGESCHULTE of Bremer
Lost 3/24 (p. 787)

HOUSE FILE 499

H-3293

- 1 Amend House File 499 as follows:
- 2 1. Page 35, by striking lines 26 through 31.
- 3 2. Title page, by striking lines 21 and 22 and
- 4 inserting the following: "transportation foundation
- 5 formula; to provide appropriations; and".
- 6 3. By renumbering sections as necessary.

H-3293 FILED MARCH 23, 1987 BY CORBETT of Linn

Adopted 3/25/87 (p. 836)

HOUSE FILE 499

H-3295

- 1 Amend House File 499 as follows:
- 2 1. By striking page 32, line 28, through page 33,
- 3 line 10.

H-3295 FILED MARCH 23, 1987 BY MAULSBY of Calhoun

Loss 3/25 (p. 836)

HOUSE FILE 499

H-3297

- 1 Amend House File 499 as follows:
- 2 1. Page 14, by inserting after line 25 the
- 3 following:
- 4 "Sec. ____ . NEW SECTION. 294A.22 SALARY
- 5 SCHEDULES.
- 6 Notwithstanding chapter 20, a salary schedule for
- 7 the teachers employed by a school district shall not
- 8 have more than a fifty percent disparity between the
- 9 highest salary on the schedule and the lowest salary
- 10 on the schedule."

H-3297 FILED MARCH 23, 1987 BY MAULSBY of Calhoun

Loss 3/24 (p. 789)

HOUSE FILE 499

H-3298

- 1 Amend House File 499 as follows:
- 2 1. Page 16, by striking lines 29 and 30 and
- 3 inserting the following: "area education agencies in
- 4 order to reduce their total number in the state. The
- 5 plans shall".
- 6 2. Page 17, line 3, by inserting after the word
- 7 "state" the following: "based upon the plans it
- 8 developed under this subsection".
- 9 3. Page 17, by striking lines 4 and 5 and
- 10 inserting the following: "transition effective July
- 11 1, 1990."
- 12 4. Page 21, by striking lines 22 and 23 and
- 13 inserting the following: "the number of area
- 14 education agencies in the state shall be equal to the
- 15 number of area education agencies established by the
- 16 state board of education under section 256.7,
- 17 subsection 7. The boundaries of an area education
- 18 agency shall".

BY CLARK of Cerro Gordo

MILLER of Cherokee

H-3298 FILED MARCH 23, 1987

Loss 3/24 (p. 789)

HARBOR of Mills

PLASIER of Sioux

COREY of Louisa

HOUSE FILE 499

H-3311

1 Amend House File 499 as follows:

2 1. Page 16, by inserting after line 22 the
3 following:

4 "Sec. _____. Section 76.1, Code 1987, is amended to
5 read as follows:

6 76.1 MANDATORY RETIREMENT.

7 Hereafter issues of bonds of every kind and
8 character by counties, cities, and school corporations
9 shall be consecutively numbered. The annual levy, or
10 annual levy and income surtax, shall be sufficient to
11 pay the interest and approximately such that portion
12 of the principal of the bonds as will retire them in a
13 period not exceeding twenty years from date of issue.
14 Each issue of bonds shall be scheduled to mature
15 serially in the same order as numbered.

16 Sec. _____. Section 76.2, unnumbered paragraphs 1
17 and 2, Code 1987, are amended to read as follows:

18 The governing authority of these political
19 subdivisions before issuing bonds shall, by
20 resolution, provide for the assessment of an annual
21 levy upon all the taxable property in the political
22 subdivision, or the assessment of an annual levy and
23 imposition of an income surtax, sufficient to pay the
24 interest and principal of the bonds within a period
25 named not exceeding twenty years. A certified copy of
26 this resolution shall be filed with the county auditor
27 or the auditors of the counties in which the political
28 subdivision is located; and the filing ~~shall make~~
29 makes it a duty of the auditors to enter annually this
30 levy for collection from the taxable property within
31 the boundaries of the political subdivision until
32 funds are realized to pay the bonds in full. For
33 school districts using section 76.20, a copy of the
34 resolution also shall be filed with the director of
35 revenue and finance who is directed to impose a surtax
36 on the state income tax of individuals residing within
37 the boundaries of the school district until funds are
38 realized to pay the bonds in full. The levy shall
39 continue to be made against property that is severed
40 from the political subdivision after the filing of the
41 resolution until funds are realized to pay the bonds
42 in full.

43 If the resolution is filed prior to April 1 the
44 annual levy shall begin with the tax levy for
45 collection commencing July 1 of that year. If the
46 resolution is filed after April 1, the annual levy
47 shall begin with the tax levy for collection in the
48 next succeeding fiscal year. However, the governing
49 authority of a political subdivision may adjust a levy
50 of taxes made under this section for the purpose of

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1 adjusting the annual levies and collections for
2 property severed from the political subdivision,
3 subject to the approval of the state comptroller.

4 If the resolution includes the imposition of an
5 income surtax and it is filed prior to April 1, the
6 imposition of the surtax shall begin retroactive to
7 January 1 of that calendar year.

8 Sec. ____ . Section 76.3, Code 1987, is amended to
9 read as follows:

10 76.3 TAX LIMITATIONS.

11 Tax limitations in any a law or proposition for the
12 issuance of bonds or obligations, including any a law
13 or proposition for the issuance of bonds or
14 obligations in anticipation of levies or collections
15 of taxes or both, shall be based on the latest
16 equalized actual valuation then existing and shall
17 only restrict the amount of bonds or obligations which
18 may be issued. For the sole purpose of computing the
19 amount of bonds which may be issued as a result of the
20 application of a tax limitation, all interest on the
21 bonds or obligations in excess of that accruing in the
22 first twelve months may be excluded from the first
23 annual levy of taxes, so that the need for including
24 more than one year's interest in the first annual levy
25 of taxes to pay the bonds or obligations and interest
26 does not operate to further restrict the amount of
27 bonds or obligations which may be issued, and in
28 certifying the annual levies to the county auditor or
29 auditors the first annual levy of taxes shall be
30 sufficient to pay ~~all~~ the principal of and interest on
31 the bonds or obligations becoming due prior to the
32 next succeeding annual levy and the full amount of the
33 first annual levy shall be entered for collection by
34 the auditor or auditors, as provided in this chapter.
35 However, if a school district has approved the
36 imposition of an income surtax to pay a portion of the
37 principal and interest on the bonds or obligations,
38 this section applies only for the portion of the
39 principal and interest to be paid from the annual levy
40 of property taxes.

41 Sec. ____ . Section 76.4, Code 1987, is amended to
42 read as follows:

43 76.4 PERMISSIVE APPLICATION OF FUNDS.

44 ~~Whenever~~ If the governing authority of such a
45 political subdivision ~~shall have~~ has on hand funds
46 derived from ~~any other~~ a source other than taxation
47 which may be appropriated to the payment either of
48 interest or principal, or both principal and interest
49 of ~~such~~ such bonds, such the funds may be ~~so~~ appropriated
50 and used and the levy for the payment of the bonds and

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1 surtax rate for the income tax, if voted,
2 correspondingly reduced.

3 Sec. ____ . Section 76.7, Code 1987, is amended to
4 read as follows:

5 76.7 PARTICULAR BONDS AFFECTED --PAYMENT.

6 Counties, cities and school corporations may at any
7 time ~~or-times~~ extend or renew any legal indebtedness
8 or any part thereof of the indebtedness they may have
9 represented by bonds or certificates where such the
10 indebtedness is payable from a limited annual tax or
11 from a voted annual tax or income surtax, and may by
12 resolution fund or refund the same legal indebtedness
13 and issue bonds therefor running not more than twenty
14 years to be known as funding or refunding bonds, and
15 make provision for the payment of the principal and
16 interest thereof from the proceeds of an annual tax or
17 annual tax and income surtax for the period covered by
18 such the bonds similar to the tax authorized by law or
19 by the electors for the payment of the indebtedness so
20 extended or renewed.

21 Sec. ____ . NEW SECTION. 76.20 PAYMENTS OF SCHOOL
22 DISTRICT BONDS.

23 If the board of directors of a school district
24 calls an election on the issuance of general
25 obligation bonds under section 296.3, the board may
26 vote by resolution to include as a separate
27 proposition at the same election, a proposition to pay
28 the principal and interest of the bonds, sixty-five
29 percent by pledging the proceeds of a property tax
30 levy and thirty-five percent by pledging the proceeds
31 of an income surtax. If the board does not adopt a
32 resolution to include the proposition on the ballot, a
33 petition signed by eligible electors equal in number
34 to twenty percent of the voters at the last preceding
35 school election may be filed with the board directing
36 that the proposition be placed on the ballot as a
37 separate proposition from the vote on the issuance of
38 the bonds. Notice of the separate proposition shall
39 be given by the county commissioner of elections by
40 publication in accordance with section 49.53. The
41 notice shall identify the bonds for which the property
42 tax and income surtax proceeds would be pledged to pay
43 the principal and interest and the number of years
44 that the income surtax and the property tax levy shall
45 be imposed.

46 The separate proposition shall state the question
47 of whether the board of directors is authorized to pay
48 the principal and interest of the bonds sixty-five
49 percent by pledging the proceeds of a property tax
50 levy and thirty-five percent by pledging the proceeds

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1 of an income surtax. The proposition carries if
2 approved by a majority of those voting on it.

3 Sec. ____ . NEW SECTION. 76.21 AMOUNT REQUIRED.

4 Except as otherwise provided in section 76.24, the
5 board of directors shall estimate and certify to the
6 board of supervisors of the proper county for the
7 schoolhouse fund, the amount required from property
8 tax revenues to pay sixty-five percent of the amount
9 of the principal and interest due on the bonds. The
10 board of directors shall estimate and certify to the
11 director of revenue and finance for the schoolhouse
12 fund, the amount required from the income surtax to
13 pay thirty-five percent of the amount of the principal
14 and interest due on the bonds.

15 Annually the director of revenue and finance shall
16 establish the rate of the income surtax based upon an
17 average of the income tax collections in the school
18 district for the three preceding years.

19 Sec. ____ . NEW SECTION. 76.22 INCOME SURTAX.

20 The income surtax shall be imposed on the state
21 individual income tax for each calendar year, or for a
22 taxpayer's fiscal year ending during the second half
23 of that calendar year or the first half of the
24 succeeding calendar year, and shall be imposed on all
25 individuals residing in the school district on the
26 last day of the applicable tax year. As used in this
27 section, "state individual income tax" means the tax
28 computed under section 422.5, less the deductions
29 allowed in sections 422.10, 422.11, and 422.12.

30 Sections 442.16, 442.17, 442.19, and 442.20 apply
31 to the income surtax established in this section. The
32 director of revenue and finance shall deposit all
33 moneys received as income surtax to the credit of each
34 district from which the moneys are received, in an
35 "income surtax fund" which is established in the
36 office of the treasurer of state.

37 Annually, after crediting to the department of
38 revenue and finance a reasonable amount for costs of
39 administration, the treasurer of state shall remit to
40 the school districts which have imposed an income
41 surtax their share of the balance in the income surtax
42 fund. The proceeds of the tax shall be pledged for
43 the payment of thirty-five percent of the principal
44 and interest on the bonds specified on the ballot
45 proposition. The costs of administration shall be
46 determined by the department of revenue and finance,
47 and shall be based on a share of the total cost of
48 administering the department, in the same proportion
49 as the amount of income surtax collected is to the
50 amount of state income taxes collected.

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Sec. ____ . NEW SECTION. 76.23 TAX FORMS.

3 appropriate forms, or provide space on the regular
4 state income tax forms, for reporting school district
5 income tax liability, and shall administer the income
6 surtax as nearly as possible in conjunction with the
7 administration of the state income tax law, for
8 purposes of economy and efficiency. The department of
9 revenue and finance shall adopt rules to carry out the
10 income surtax under sections 76.20 through 76.24.

11 Sec. ____ . NEW SECTION. 76.24 INCOME SURTAX
12 ACCOUNT.

13 Notwithstanding section 76.21, the first year in
14 which the income surtax is collected after the
15 issuance of bonds, the percent of income surtax
16 imposed shall be double the percent calculated under
17 section 76.21. The excess collected above the amount
18 necessary to pay principal and interest on the bonds
19 shall be placed in a separate income surtax account in
20 the schoolhouse fund to be used to supplement the
21 principal and interest payments during years in which
22 the amount of income surtax collected is insufficient
23 to make the required payments.

24 In any year that the amount of income surtax
25 collected plus the amount in the separate account are
26 insufficient, the board of directors shall pay the
27 remaining amount due from moneys in the general fund
28 of the school district and the board of directors
29 shall repay the amount borrowed when funds are
30 available in the separate account.

31 For the last year in which principal and interest
32 are due, an income surtax shall not be imposed and the
33 amount of the property tax levy shall be adjusted so
34 that the proceeds from the property tax levy plus the
35 amount contained in the income surtax account of the
36 school district are sufficient to pay off the bonds."

37 2. Page 31, by inserting after line 23 the
38 following:

39 "Sec. ____ . Section 298.18, Code 1985, is amended
40 by adding the following new unnumbered paragraph:

41 NEW UNNUMBERED PARAGRAPH. The limits specified in
42 this section apply if only a property tax levy is
43 utilized to repay lawful bonded indebtedness. If a
44 school district has adopted a proposition in which
45 repayment of bonds is to be collected sixty-five
46 percent from the proceeds of a property tax levy and
47 thirty-five percent from the proceeds of an income
48 surtax, the limits on the property tax levy prescribed
49 in this section shall be one dollar and thirty-five
50 cents and two dollars and three cents respectively."

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Page Six

- 1 3. Title page, line 14, by inserting after the
- 2 word "conditions;" the following: "permissive use of
- 3 income surtax for payment of bond issues;".
- 4 4. By numbering and renumbering sections as
- 5 necessary.

BY MAULSBY of Calhoun
LAGESCHULTE of Bremer
COREY of Louisa

H-3311 FILED MARCH 23, 1987
4/10 3/24/87 (p 791)

HOUSE FILE 499

H-3307

- 1 Amend House File 499 as follows:
- 2 1. Page 21, by inserting after line 20 the
- 3 following:
- 4 "Sec. ____ . Section 275.3, Code 1987, is amended to
- 5 read as follows:
- 6 275.3 MINIMUM SIZE.
- 7 No A new school district shall not be planned by an
- 8 area education agency board nor shall any proposal for
- 9 creation or enlargement of any school district be
- 10 approved by an area education agency board or
- 11 submitted to electors unless there reside within the
- 12 proposed limits of such the district at least three
- 13 six hundred persons of school age who were enrolled in
- 14 public schools in the preceding school year. Provided,
- 15 however, that the director of the department of
- 16 education ~~shall have authority to~~ may grant permission
- 17 to an area education agency board to approve the
- 18 formation or enlargement of a school district
- 19 containing a lower school enrollment than required in
- 20 this section on the written request of such the area
- 21 education agency board if such the request is
- 22 accompanied by evidence tending to show that sparsity
- 23 of population, natural barriers or other good reason
- 24 makes it impracticable to meet the school enrollment
- 25 requirement."

H-3307 FILED MARCH 23, 1987 BY METCALF of Polk
Lead 3/25 (p 819)

HOUSE FILE 499

H-3312

1 Amend House File 499 as follows:

2 1. Page 2, line 29, by inserting after the word
3 "Moneys" the following: "appropriated by the general
4 assembly for deposit".

5 2. Page 3, by striking lines 5 through 12 and
6 inserting the following:

7 "Moneys appropriated to the fund for phase I, phase
8 II, and phase III shall be distributed in the manner
9 provided in this chapter."

10 3. Page 4, by striking lines 16 through 32 and
11 inserting the following: "or area education agency
12 for the school year beginning July 1, 1988. For the
13 school year beginning July 1, 1989, the total minimum
14 salary supplement paid to a school district or area
15 education agency is sixty-six and two-thirds percent
16 of the supplement paid for the school year beginning
17 July 1, 1988. For the school year beginning July 1,
18 1990, the total minimum salary supplement is fifty
19 percent of the supplement paid for the school year
20 beginning July 1, 1989. For school years thereafter,
21 a minimum salary supplement shall not be paid to a
22 school district or area education agency. For each of
23 the school years beginning July 1, 1989 and July 1,
24 1990, it is the intent of the general assembly to
25 appropriate moneys to phase II equal to the difference
26 between the total minimum salary supplement paid for
27 the school year beginning July 1, 1988 and the total
28 minimum salary supplement paid under this section for
29 each of those fiscal years. For the school year
30 beginning July 1, 1989 and succeeding school years,
31 school districts for which the amount of the total
32 minimum salary supplement paid for the school year
33 beginning July 1, 1988 is greater than the total of
34 the total minimum salary supplement, if any, and the
35 additional amount received under phase II because of
36 the reduction in minimum salary supplement money under
37 phase I, may use additional allowable growth under
38 section 442.7 to raise an amount equal to the
39 difference."

40 4. Page 4, lines 33 and 34, by striking the words
41 and figures "in section 294A.3, subsection 1,".

42 5. Page 5, line 23, by inserting after the word
43 "enrollment" the following: "if the general assembly
44 has appropriated thirty-eight million five hundred
45 thousand dollars for school districts and area
46 education agencies for phase II for those fiscal
47 years. If the general assembly has appropriated a
48 different amount for those fiscal years for phase II,
49 the department of education shall adjust the amount
50 for each student enrolled accordingly".

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1 6. Page 5, line 32, by inserting after the word
2 "agency" the following: "if the general assembly has
3 appropriated thirty-eight million five hundred
4 thousand dollars for school districts and area
5 education agencies for phase II for those fiscal
6 years. If the general assembly has appropriated a
7 different amount for those fiscal years for phase II,
8 the department of education shall adjust the amount
9 for the enrollment served accordingly".

10 7. Page 8, by striking lines 23 through 27 and
11 inserting the following: "and area education agency
12 shall include as a part of its plan for phase III that
13 the teacher will be required to complete at least one
14 hundred ninety working days during that year. Working
15 days in excess of the number of working".

16 8. Page 8, line 35, by inserting after the word
17 "Annually," the following: "if the general assembly
18 has appropriated fifty million dollars for school
19 districts and area education agencies for phase III,".

20 9. Page 9, line 3, by inserting after the word
21 "Annually," the following: "if the general assembly
22 has appropriated fifty million dollars for school
23 districts and area education agencies for phase III,".

24 10. Page 9, lines 10 and 11, by striking the
25 words and figures "in section 294A.3".

26 11. Page 14, by striking line 14 and inserting
27 the following: "in conjunction with state".

28 12. Page 15, by striking lines 8 through 22 and
29 inserting the following: "employee organization may
30 occur after the March 15 certified budget submission
31 date if the parties comply with this section. Not
32 later than October 1 of the year preceding the year
33 for which an agreement is being negotiated, the
34 representatives of the school district and a certified
35 teacher employee organization shall jointly submit to
36 the public employment relations board a time line for
37 negotiations that contains proposed deadline dates for
38 impasse procedures, including appointment of a
39 mediator, appointment of a fact-finder, request for
40 arbitration, and the final determination of the panel
41 of arbitrators. The deadline for the final
42 determination of the panel of arbitrators shall not be
43 later than August 15 and the determination must be
44 effective retroactive to July 1.

45 The public employment relations board shall approve
46 or disapprove the request by November 1 of the year
47 preceding the year for which the agreement is being
48 negotiated. If the public employment relations board
49 disapproves the time line submitted by the parties,
50 the time lines specified in section 20.17 and sections

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Page Three

1 20.19 through 20.22 apply."

2 13. Page 16, line 9, by striking the words "at
3 least fifty percent" and inserting the following: "a
4 majority".

5 14. Page 17, line 22, by striking the word "one-
6 fifth" and inserting the following: "one-third".

7 15. Page 17, line 23, by striking the word "one-
8 fifth" and inserting the following: "one-third".

9 16. Page 17, line 24, by striking the word "four"
10 and inserting the following: "two".

11 17. Page 17, line 30, by striking the word "five-
12 year" and inserting the following: "three-year".

13 18. Page 18, by striking lines 15 and 16 and
14 inserting the following: "accreditation, within
15 ninety days after the state board's determination, the
16 parent or guardian of a pupil who is a resident of
17 that school district may file notification with the
18 board".

19 19. Page 19, lines 20 and 21, by striking the
20 words "not later than February 1 of a school year".

21 20. Page 19, line 24, by striking the words
22 "during the next succeeding school year".

23 21. Page 19, line 29, by striking the words and
24 figure "by March 1".

25 22. Page 21, by inserting after line 30 the
26 following:

27 "Sec. ____ . NEW SECTION. 273.10 COMBINING AREA
28 EDUCATION AGENCIES.

29 An area education agency may combine with an
30 adjacent area education agency after a favorable vote
31 by the electors of each of the area education agencies
32 involved. The procedure used for the combination of
33 area education agencies shall be the same as the
34 procedure prescribed in section 280A.39 for merged
35 area schools. Election of directors for the combined
36 area education agency shall follow the procedures
37 established for election of directors of an area
38 education agency."

39 23. Page 23, by striking lines 8 and 9, and
40 inserting the following: "section 75.1, the
41 proposition to make extended time contracts under this
42 section requires a vote in favor of the proposition".

43 24. Page 25, line 33, by striking the figure
44 "1987" and inserting the figure "1988".

45 25. Page 25, line 35, by inserting after the word
46 "district" the following: "for which the
47 accreditation process under section 256.11 has not
48 been completed and in which the high school offers
49 fewer than forty-one academic curriculum units either
50 on its own or under a sharing agreement that does not

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Page Four

- § 1 meet the criteria for section 282.11".
- 2 26. Page 26, line 2, by striking lines 2 and 3
3 and inserting the following: "provided in this
4 section if the conditions specified in this section
5 exist."
- 6 27. Page 26, line 4, by striking the word
7 "November" and inserting the following: "February".
- 8 28. Page 26, by striking lines 9 through 25 and
9 inserting the following: "a public school in a
10 contiguous school district because the curriculum of
11 the contiguous school district provides substantial
12 opportunities for a pupil that are not available to
13 that pupil in the district of residence."
- 14 29. Page 26, by inserting before line 26 the
15 following:
16 "The department of education shall verify that the
17 notification of the parent or guardian is accurate
18 with regard to the number of academic curriculum units
19 offered by a school district."
- 20 30. Page 26, by striking lines 31 through 34 and
21 inserting the following: "district does not have
22 classroom space for the pupil."
- 23 31. Page 27, by striking lines 8 through 17 and
24 inserting the following: "approve or disapprove the
25 request within thirty days of its receipt. The parent
26 or guardian may appeal the decision of the board under
27 chapter 290. If the parent or guardian appeals to the
28 state board of education, the board of the district of
29 residence must".
- 30 32. Page 27, line 18, by striking the word
31 "department" and inserting the following: "state
32 board".
- 33 33. By striking page 27, line 30 through page 28,
34 line 3.
- 35 34. By striking page 28, line 34 through page 29,
36 line 7.
- 37 35. Page 29, by striking lines 11 and 12 and
38 inserting the following: "school that does not
39 provide intercollegiate athletics as a part of its
40 program on July 1, 1987 from adding intercollegiate
41 athletics to its program after that date."
- 42 36. Page 30, by striking lines 31 and 32 and
43 inserting the following: "proposition to approve the
44 issuance of the bonds requires a vote in favor of the
45 proposition equal to a majority of the total vote".
- 46 37. Page 31, line 15, by striking the word
47 "required".
- 48 38. Page 31, by striking lines 16 and 17 and
49 inserting the following: "election to approve the
50 proposition under this section requires a vote in

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1 favor of the proposition equal to a majority of the
2 total vote cast for and.

3 39. By striking page 31, line 24 through page 32,
4 line 10.

5 40. Page 32, by striking lines 11 through 27 and
6 inserting the following:

7 "Sec. ____ . Section 442.4, subsection 3, unnumbered
8 paragraph 1 and paragraph a, Code 1987, are amended to
9 read as follows:

10 For the school year beginning July 1, ~~1980~~ 1989,
11 and each subsequent school year, budget enrollment
12 means the sum of the following:

13 a. ~~Twenty-five~~ Twenty percent of the basic
14 enrollment for the school year beginning July 1, 1979.
15 However, if the basic enrollment of a school district
16 for a budget year is more than fifteen percent higher
17 than the basic enrollment of the district for the base
18 year, the school district's basic enrollment for the
19 budget year shall be used thereafter for the
20 calculation required under this paragraph in lieu of
21 using the basic enrollment for the school year
22 beginning July 1, 1979."

23 41. Page 33, line 2, by inserting after the word
24 "two" the following: "one and one-half".

25 42. Page 33, line 10, by inserting after the word
26 "two" the following: "one and one-half".

27 43. Page 33, line 10, by inserting after the word
28 "amount." the following: "For the school year
29 beginning July 1, 1989 and each succeeding school
30 year, the budget guarantee provided in this subsection
31 for school districts is one hundred one percent."

32 44. Page 33, by inserting after line 10 the
33 following:

34 "Sec. ____ . NEW SECTION. 442.4A BUDGET REDUCTION
35 AMOUNT.

36 For the budget year beginning July 1, 1988, the
37 department of management shall add together the
38 district cost for the budget year minus the amount
39 included in district cost for special education
40 support services for the budget year of each school
41 district in the state and divide that total by the
42 basic enrollment in the state for the budget year to
43 determine a state average cost per pupil for the
44 budget year. In addition, the department of
45 management shall calculate an average cost per pupil
46 for that budget year for each school district by
47 dividing the total of each district's district cost
48 for that budget year minus the amount included in
49 district cost for special education support services
50 for that budget year by the district's basic

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1 enrollment for the budget year. For each school
2 district in which the average cost per pupil for the
3 budget year is more than one hundred-twenty percent of
4 the state average cost per pupil for the budget year,
5 the department of management shall determine a budget
6 reduction amount. The budget reduction amount is
7 thirty-three and one-third percent of the difference
8 between one hundred twenty percent of the state
9 average cost per pupil and the average cost per pupil
10 in the district for the budget year.

11 For the budget years beginning July 1, 1989 and
12 July 1, 1990, the department of management shall
13 determine the state average cost per pupil for the
14 budget year and the average cost per pupil for the
15 budget year for each school district in the same
16 manner as those amounts were determined for the base
17 year. For each school district in which the average
18 cost per pupil for the budget year is more than one
19 hundred fifteen percent of the state average cost per
20 pupil for the budget year, the department of
21 management shall determine a budget reduction amount.
22 For the budget year beginning July 1, 1989, the budget
23 reduction amount is fifty percent of the difference
24 between one hundred fifteen percent of the state
25 average cost per pupil and the average cost per pupil
26 in the district for the budget year. For the budget
27 year beginning July 1, 1990, the budget reduction
28 amount is the difference between one hundred fifteen
29 percent of the state average cost per pupil and the
30 average cost per pupil in the district for the budget
31 year.

32 Notwithstanding the budget enrollment calculation
33 in section 442.4, for each of the budget years under
34 this section, the department of management shall
35 decrease the number of pupils added to enrollment
36 under section 442.4, subsection 5, to provide a
37 reduction equal to the budget reduction amount. If
38 the number of pupils added to enrollment under section
39 442.4, subsection 5, provides for a reduction that is
40 less than the budget reduction amount, the department
41 of management shall decrease the number of pupils in
42 section 442.4, subsection 3, paragraph "a", to provide
43 a total reduction equal to the budget reduction
44 amount.

45 A school district that has a reduction in district
46 cost for a budget year minus the amount included in
47 district cost for special education support services
48 for that budget year under this section may use
49 additional allowable growth under section 442.7 to
50 raise an amount equal to the reduction."

1 45. By striking page 33, line 11 through page 35,
2 line 25.

3 46. By striking page 35, line 32 through page 37,
4 line 21.

5 47. Page 37, by inserting after line 22 the
6 following:

7 "Sec. ____ . Iowa Acts, 1986 Session, chapter 1245,
8 section 1499B, is repealed."

9 48. Title page, line 19, by striking the word
10 "adoption" and inserting the following: "opting out".

11 49. Title page, lines 20 and 21, by striking the
12 words "establishment of a transportation foundation
13 formula;".

14 50. Title page, line 22, by striking the words
15 "to provide appropriations;".

16 51. By numbering and renumbering sections and
17 correcting internal references as necessary.

BY OLLIE of Clinton
HAVERLAND of Polk

H-3312 FILED MARCH 23, 1987

A. Adopted 3/24/87 (p. 782)

B. Adopted (p. 783) * motion to renumber (p. 801)

C. Adopted (p. 786) * placed etc. (p. 778)

D. Adopted (p. 802)

E. Adopted as amended by 3315 3/25 (p. 821)

F. Adopted as amended by 3328 3/29, 3/5 (p. 827)

G. Adopted as amended by 3350, 3/5/88 3/5 (p. 830)

H. Adopted (p. 836)

* motion to renumber line (p. 843)

HOUSE FILE 499

H-3314

1 Amend House File 499 as follows:

2 1. Page 24, by inserting after line 35 the
3 following:

4 "Sec. ____ . Section 280.4, Code 1987, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 4. In order to provide funds for
7 the excess costs of instruction of non-English-
8 speaking students above the costs of instruction of
9 pupils in a regular curriculum, students identified as
10 non-English-speaking are assigned an additional
11 weighting of two-tenths and that weighting shall be
12 included in the weighted enrollment of the school
13 district of residence."

14 2. Page 33, by inserting after line 10 the
15 following:

16 "Sec. ____ . Section 442.4, subsection 6, unnumbered
17 paragraph 1, Code 1987, is amended to read as follows:

18 For the school year beginning July 1, 1980, and
19 each subsequent school year, weighted enrollment is
20 the budget enrollment as modified by application of
21 the special education weighting plan in section 281.9,
22 the non-English-speaking weighting plan in section
23 280.4, and the supplementary weighting plan in this
24 chapter."

25 3. Title page, line 20, by inserting after the
26 word "districts;" the following: "weighting for non-
27 English-speaking students;".

28 4. By numbering and renumbering sections as
29 necessary.

BY CARPENTER of Polk
SHOULTZ of Black Hawk

H-3314 FILED MARCH 23, 1987

Adopted 3/25 (p. 826)

HOUSE FILE 499

H-3315

1 Amend the amendment, H-3312, to House File 499 as
2 follows:

3 1. Page 3, by inserting after line 38 the
4 following:

5 "If area education agencies combine, the collective
6 bargaining agreement of the area education agency with
7 the largest enrollment served, as defined in section
8 442.27, in the new area education agency shall serve
9 as the base agreement and the employees of the other
10 area education agencies involved in the formation of
11 the new area education agency shall automatically be
12 accreted to the bargaining unit of that collective
13 bargaining agreement for purposes of negotiating the
14 contracts for the following years without further
15 action by the public employment relations board. If
16 only one collective bargaining agreement is in effect
17 among the area education agencies which are party to
18 the combination, then that agreement shall serve as
19 the base agreement, and the employees of the other
20 area education agencies involved in the formation of
21 the new area education agency shall automatically be
22 accreted to the bargaining unit of that collective
23 bargaining agreement for purposes of negotiating the
24 contracts for the following years without further
25 action by the public employment relations board. The
26 board of the newly formed area education agency, using
27 the base agreement as its existing contract, shall
28 bargain with the combined employees of the existing
29 area education agencies for the school year beginning
30 with the effective date of the combination. The
31 bargaining shall be completed by March 15 prior to the
32 school year in which the combination becomes effective
33 or within one hundred eighty days after the
34 organization of the new board, whichever is later. If
35 a bargaining agreement was already concluded by the
36 board and employees of the existing area education
37 agency with the contract serving as the base agreement
38 for the school year beginning with the effective date
39 of the combination, that agreement shall be void.
40 However, if the base agreement contains multiyear
41 provisions affecting school years subsequent to the
42 effective date of the combination, the base agreement
43 shall remain in effect as specified in the agreement."

H-3315 FILED MARCH 23, 1987 BY SHOULTZ of Black Hawk
Adopted 3/25/87 (p. 821)

HOUSE FILE 499

H-3304

1 Amend House File 499 as follows:

2 1. Page 3, by inserting after line 12 the
3 following:

4 "Notwithstanding section 8.31, the appropriations
5 made in this section are exempt from the reduction
6 required in section 8.31, if the governor determines
7 that the estimated budget resources during a fiscal
8 year are insufficient to pay all appropriations in
9 full, and that finding is concurred in by the execu-
10 tive council, and the governor orders reductions in
11 the appropriations under section 8.31."

BY DAGGETT of Adams
MILLER of Cherokee
PETERSEN of Muscatine
BEAMAN of Clarke

H-3304 FILED MARCH 23, 1987

Love 3/24/87 (p. 783)

HOUSE FILE 499

H-3306

1 Amend House File 499 as follows:

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

4 "Effective July 1, 1988, a school district is not
5 eligible to receive payments under this section unless
6 the board of directors has increased the number of
7 days that its schools are in session by five, and has
8 increased the number of days that its teachers are
9 under contract to be present when school is not in
10 session by ten, over the number of days that its
11 schools were in session and teachers were under
12 contract to be present during the school year
13 beginning July 1, 1987."

14 2. Page 7, by inserting after line 8 the
15 following:

16 "Effective July 1, 1988, a school district is not
17 eligible to receive its allocation under this section
18 unless the board of directors has increased the number
19 of days that its schools are in session by five, and
20 has increased the number of days that its teachers are
21 under contract to be present when school is not in
22 session by ten, over the number of days that its
23 schools were in session and teachers were under
24 contract to be present during the school year
25 beginning July 1, 1987."

BY METCALF of Polk
PETERSEN of Muscatine
COREY of Louisa

H-3306 FILED MARCH 23, 1987

Love 3/24/87 (p. 784)

HOUSE FILE 499

H-3303

1 Amend House File 499 as follows:

2 i. Page 22, by inserting after line 30 the
3 following:
4 "Sec. ____ . NEW SECTION. 275.57 REORGANIZATION.
5 Boards of directors of school districts with
6 certified enrollments of fewer than three hundred on
7 the second Friday in September 1987 shall develop and
8 transmit to the area education agency in which they
9 are located, by January 1, 1988, a reorganization or
10 dissolution plan that places the district in a
11 reorganized or enlarged district that includes more
12 than six hundred students in certified enrollment.
13 The plans shall consider boundary line changes that
14 place territory in districts that form geographically
15 compact boundaries. The area education agencies shall
16 transmit the plans to all districts in the area and in
17 the adjacent area education agencies by March 1, 1988.
18 The boards of directors of any district may, prior to
19 July 1, 1988, file written objections with the
20 appropriate area education agency to the plans of any
21 district in its area or the adjacent areas that
22 detrimentally affect the boundaries of the objecting
23 district. Prior to July 1, 1989, the area education
24 agency boards shall conduct hearings upon all
25 objections and shall rule upon each objection, and
26 shall establish boundary lines. By September 1, 1989,
27 each area education agency shall appoint one of its
28 members to serve on the state reorganization
29 commission, which shall form and organize itself by
30 October 1, 1989. Prior to December 1, 1989, any area
31 education agency board or board of directors of a
32 school district may file, in writing, objections
33 concerning a plan with the state reorganization
34 commission. Prior to July 1, 1990, the reorganization
35 commission shall conduct hearings and rule upon the
36 objections and finalize the plans submitted by the
37 boards of directors of the school districts and area
38 education agencies. Prior to November 30, 1990, each
39 reorganized district shall conduct a special election
40 for the board of the new district and the new board
41 shall organize prior to December 1, 1990, and shall
42 conduct business as provided in section 275.41. The
43 reorganized and newly enlarged districts shall be
44 effective July 1, 1991."

H-3303 FILED MARCH 23, 1987 BY METCALF of Polk

Done 3/25/87 (p. 822)

HOUSE FILE 499

H-3310

1 Amend House File 499 as follows:

2 1. By striking page 31, line 24 through page 32,
3 line 10.

4 2. By striking page 33, line 11 through page 35,
5 line 25.

6 3. By striking page 35, line 32 through page 37,
7 line 21, and inserting the following:

8 "Sec. ____ . NEW SECTION. 442.55 TRANSPORTATION
9 AID.

10 For the budget year commencing July 1, 1988 and
11 each succeeding budget year, each school district that
12 has a district average transportation cost per pupil
13 greater than the state average transportation cost per
14 pupil shall receive state transportation aid equal to
15 the difference between the district's average
16 transportation cost per pupil for the budget year and
17 the state average transportation cost per pupil for
18 the budget year. State average transportation cost
19 per pupil for a budget year is an amount equal to the
20 sum of all public school transportation costs for the
21 base year approved by the department of education
22 under chapter 285 times one hundred percent plus the
23 state percent of growth for the budget year divided by
24 the weighted enrollment for the state for the budget
25 year. District average transportation cost per pupil
26 for a budget year is an amount equal to the school
27 district public school transportation cost for the
28 budget year approved by the department of education
29 under chapter 285 times one hundred percent plus the
30 state percent of growth for the budget year divided by
31 the district's weighted enrollment for the district
32 for the budget year. Transportation costs approved by
33 the department of education under chapter 285 for a
34 school year do not include costs incurred in
35 transporting pupils from home to a bus route, or in
36 transporting pupils not entitled to free
37 transportation but who are transported at the expense
38 of the resident district or the parents; and do not
39 include additional allowable growth granted in a base
40 year but not added to the district cost of a school
41 district under section 442.13. The secretary of each
42 district shall, on or before September 1 of a budget
43 year, report to the department of education on blanks
44 furnished by the department, the information the
45 department requires for determining the transportation
46 costs approved by the department of education for the
47 base year. The department of education shall report
48 to the department of revenue and finance the amount of
49 state transportation aid to be paid to each district
50 qualifying for aid.

H-3310
Page Two

- 1 There is appropriated from the general fund of the
- 2 state an amount sufficient to pay state transportation
- 3 aid.
- 4 The department of revenue and finance shall draw
- 5 warrants for state transportation aid and deliver them
- 6 to the districts in the manner provided in section
- 7 442.26 for state school foundation aid.
- 8 State transportation aid is miscellaneous income."
- 9 4. By numbering and renumbering sections and
- 10 correcting internal references as necessary.

H-3310 FILED MARCH 23, 1987 BY HALVORSON of Clayton

A. Placed 3/25/87 (p 833)
B. Lost (p 834)

HOUSE FILE 499

H-3302

- 1 Amend House File 499 as follows:
- 2 1. By striking page 14, line 26, through page 37,
- 3 line 22.
- 4 2. Page 37, by striking line 23 and inserting the
- 5 following:
- 6 "Sec. ____ . This Act, being".

BY MAULSBY of Calhoun

DAGGETT of Adams

HALVORSON of Clayton

McKEAN of Jones

HARBOR of Mills

GARMAN of Story

CORBETT of Linn

HESTER of Pottawattamie

H-3302 FILED MARCH 23, 1987

MILLER of Cherokee

Lost 3/25 (p 837)

HOUSE FILE 499

H-3305

- 1 Amend House File 499 as follows:
- 2 1. Page 28, by striking lines 4 through 33.
- 3 2. Title page, by striking line 17 and inserting
- 4 the following: "programs; provision for".
- 5 3. By renumbering sections as necessary.

BY CORBETT of Linn

H-3305 FILED MARCH 23, 1987

GARMAN of Story

Lost 3/25 (p 828)

HOUSE FILE 499

H-3308

- 1 Amend House File 499 as follows:
- 2 1. Page 10, line 7, by inserting after the word
- 3 "criteria." the following: "The colleges of education
- 4 of the institutions of higher education under the
- 5 state board of regents shall develop performance based
- 6 pay plans that can be used by school districts and
- 7 area education agencies to qualify for phase III
- 8 moneys and shall make the plans available to boards of
- 9 directors and certified employee organizations."

BY HUMMEL of Benton

H-3308 FILED MARCH 23, 1987

PETERSEN of Muscatine

Lost 3/24 (p 727)

Motion to reconsider w/d 3/25 (p 843)

HOUSE FILE 499

3323

Amend House File 499 as follows:

2 1. Page 3, by striking lines 9 through 11 and in-
3 serting the following:

4 "____. For phases I and II, forty-seven million
5 five hundred thousand (47,500,000) dollars. Moneys
6 appropriated for phases I and II shall be distributed
7 to school districts and area education agencies
8 pursuant to this chapter in an amount not exceeding
9 ninety-three dollars and seventy-seven cents
10 multiplied by each school district's certified
11 enrollment and four dollars and thirty cents
12 multiplied by each area education agency's enrollment
13 served."

14 2. By striking page 3, line 23, through page 5,
15 line 10, and inserting the following:

16 "Sec. ____ . NEW SECTION. 294A.5 MINIMUM SALARY
17 PAYMENT.

18 For the school year beginning July 1, 1987 and
19 succeeding school years, if a school district or area
20 education agency is organized under chapter 20 for
21 collective bargaining purposes, the board of directors
22 and certified bargaining representative for the
23 certificated employees shall mutually agree upon a
24 minimum salary to be paid to teachers to be funded as
25 provided in this section. If the school district is
26 not organized for collective bargaining purposes, the
27 board of directors shall determine the minimum salary.

28 Each school year the board of directors of each
29 school district and area education agency shall
30 certify to the department of education the names of
31 all teachers employed by the district or area
32 education agency whose regular compensation is less
33 than the minimum salary determined under this section
34 and shall state the cost of increasing those teachers'
35 regular compensation to the minimum salary. The
36 department of education shall pay to each school
37 district and area education agency ninety percent of
38 that cost, subject to the appropriation limitations of
39 section 294A.3. The salaries of teachers employed on
40 less than a full-time basis shall be prorated."

41 3. By striking page 5, line 17, through page 8,
42 line 3, and inserting the following:

43 "Sec. ____ . NEW SECTION. 294A.6 PHASE II PROGRAM.

44 Phase II is established to improve the salaries of
45 teachers. For the school year beginning July 1, 1987
46 and succeeding school years, if a school district or
47 area education agency is organized under chapter 20
48 for collective bargaining purposes, the board of
directors and certified bargaining representative for
the certificated employees shall mutually agree upon a

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1 salary schedule providing salary increases for
2 teachers whose regular compensation exceeds the
3 minimum salary established in section 294A.5 to be
4 funded as provided in this section.

5 Each school year each school district and area
6 education agency shall certify to the department of
7 education the amounts required for the salary
8 increases under the new salary schedules adopted. The
9 department of education shall pay to each school
10 district and area education agency seventy-five
11 percent of that cost, subject to the appropriation
12 limitations of section 294A.3.

13 DIVISION IIA

14 PAYMENTS

15 Sec. ____ . NEW SECTION. 294A.7 PAYMENTS.

16 The department of education shall certify the
17 amounts of the allocations to the department of
18 revenue and finance and the department of revenue and
19 finance shall make the payments to school districts
20 and area education agencies.

21 If a school district has discontinued grades under
22 section 282.7, subsection 1, or students attend school
23 in another school district, under an agreement with
24 the board of the other school district, the board of
25 directors of the district in which the students are
26 enrolled shall count those pupils as resident pupils
27 in the district for determining the amount of the
28 appropriation available to the district under section
29 294A.3."

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

H-3323 FILED MARCH 24, 1987 BY HUMMEL of Benton

4/5 3/25/87 (p. 841)

HOUSE FILE 499

H-3319

1 Amend the amendment, H-3310, to House File 499 as
2 follows:

3 1. Page 1, line 24, by striking the word
4 "weighted" and inserting the following: "total
5 basic".

6 2. Page 1, line 31, by striking the word
7 "weighted" and inserting the following: "basic".

H-3319 FILED MARCH 24, 1987 BY HALVORSON of Clayton

Adopted 3/25 (p. 833)

H-3327

1 Amend amendment, H-3312, to House File 499 as
2 follows:

- 3 1. By striking page 3, line 43 through page 4,
4 line 34, and inserting the following:
5 "_____. By striking page 25, line 30 through page
6 28, line 3."

BY GARMAN of Story

H-3327 FILED MARCH 24, 1987

HESTER of Pottawattamie

Adopted 3/25/87 (p. 821)

HOUSE FILE 499

H-3328

1 Amend the amendment H-3312, to House File 499 as
2 follows:

- 3 1. Page 4, line 10, by inserting after the word
4 "the" the following: "academic".
5 2. Page 4, line 11, by inserting after the word
6 "substantial" the following: "educational".

BY McKEAN of Jones

BLANSHAN of Greene

HAMMOND of Story

H-3328 FILED MARCH 24, 1987

HESTER of Pottawattamie

Adopted 3/25 (p. 826)

HOUSE FILE 499

H-3329

1 Amend amendment, H-3312, to House File 499 as
2 follows:

- 3 1. Page 4, by striking lines 33 and 34 and
4 inserting the following:
5 "_____. Page 28, by striking lines 1 through 3."

BY McKEAN of Jones

HANSON of Delaware

HAMMOND of Story

H-3329 FILED MARCH 24, 1987

JOHNSON of Winneshiek

Adopted 3/25 (p. 827)

HOUSE FILE 499

H-3337

1 Amend House File 499 as follows:

- 2 1. Page 2, line 35, by inserting after the word
3 "system" the following: ", or a pension and annuity
4 retirement system established under chapter 294,".
5 2. Page 4, line 3, by inserting after the word
6 "system" the following: ", or a pension and annuity
7 retirement system established under chapter 294,".
8 3. Page 7, line 29, by inserting after the word
9 "system" the following: ", or a pension and annuity
10 retirement system established under chapter 294,".
11 4. Page 9, line 28, by inserting after the word
12 "system" the following: ", or a pension and annuity
retirement system established under chapter 294,".

H-3337 FILED MARCH 24, 1987

BY BUHR of Polk

Adopted 3/24 (p. 885)

Adopted as amended by 3365 3/25 (p. 836)

HOUSE FILE 499

H-3322

1 Amend the amendment, H-3312, to House File 499 as
2 follows:

3 1. Page 5, by striking line 36 and inserting the
4 following: "For each of the budget years beginning
5 July 1, 1988, July 1, 1989, and July 1, 1990, the".

6 2. Page 6, line 6, by striking the word "The" and
7 inserting the following: "For the budget year
8 beginning July 1, 1988, the".

9 3. Page 6, line 10, by inserting after the word
10 "year." the following: "For the budget year beginning
11 July 1, 1989, the budget reduction amount is sixty-six
12 and two-thirds percent of the difference between one
13 hundred twenty percent of the state average cost per
14 pupil and the average cost per pupil in the district
15 for the budget year. For the budget year beginning
16 July 1, 1990, the budget reduction amount is the
17 difference between one hundred twenty percent of the
18 state average cost per pupil and the average cost per
19 pupil in the district for the budget year."

20 4. Page 6, by striking lines 11 through 31.

BY OLLIE of Clinton

H-3322 FILED MARCH 24, 1987

CARPENTER of Polk

Lost 3/25/87 (p. 829)

HOUSE FILE 499

H-3332

1 Amend amendment, H-3290 to House File 499 as
2 follows:

3 1. Page 1, by striking lines 15 and 16 and
4 inserting the following: "area of the next regular
5 school election. A request for the question to be
6 submitted to the electors of the area at the next
7 regular school election may be submitted by a petition
8 signed by eligible electors who are, or would be if
9 registered, entitled to vote on the question, equal or
10 greater in number to twenty percent of those who voted
11 in the last regular school election in the area.""

12 2. Page 1, by striking lines 29 through 31 and
13 inserting the following: "shall be submitted to the
14 electors of the area at the next regular school
15 election. A request for the question to be submitted
16 to the electors of the area at the next regular school
17 election may be submitted by a petition signed by
18 eligible electors who are, or would be if registered,
19 entitled to vote on the question, equal or greater in
20 number to twenty percent of those who voted in the
21 last regular school election in the area.""

BY HAVERLAND of Polk

DE GROOT of Lyon

H-3332 FILED MARCH 24, 1987

MILLER of Cherokee

W/D 3/25 (p. 818)

HOUSE FILE 499

H-3345

1 Amend House File 499 as follows:

2 1. Page 8, line 31, by inserting after the word
3 "days." the following: "As an additional condition
4 for the receipt of phase III moneys, annually the
5 board of directors of each school district shall
6 report to the department of education the results of
7 nationally standardized tests administered during that
8 school year to the pupils enrolled in grades three
9 through eight in that school district."

H-3345 FILED MARCH 24, 1987

Loose 3/25/87 (p. 841)

BY VANCAMP of Scott
LUNDBY of Linn

HOUSE FILE 499

H-3346

1 Amend House File 499 as follows:

2 1. Page 14, by inserting after line 25 the fol-
3 lowing:
4 "Sec. ____ . NEW SECTION. 294A.22 COVERAGE OF
5 CERTAIN TEACHERS.
6 The department of education shall make payments of
7 minimum salary supplements for phase I to the Iowa
8 braille and sight-saving school and the Iowa school
9 for the deaf for the classroom teachers at those
10 schools, and the department shall allocate moneys from
11 phase II to the schools based upon the enrollment at
12 the schools."
13 2. By numbering and renumbering sections as
14 necessary.

H-3346 FILED MARCH 24, 1987

Adopted 3/25/87 (p. 842)

BY HUMMEL of Benton
PAVICH of Pottawattamie
Speaker of Pottawattamie
Legislature of "

HOUSE FILE 499

H-3338

1 Amend House File 499 as follows:

2 1. Page 21, by inserting after line 30 the
3 following:

4 "Sec. ____ . NEW SECTION. 275.3A MANDATORY REOR-
5 GANIZATION.

6 A school district in which the certified enrollment
7 for three consecutive school years is fewer than three
8 hundred shall reorganize with a contiguous school
9 district within two school years thereafter. If the
10 board of the school district has not commenced action
11 under this chapter during the first year thereafter,
12 the area education agency board of the area in which
13 the school district is located shall meet with the
14 board of the school district to develop a petition for
15 reorganization based upon the reorganization plan of
16 the area education agency. Proposals for
17 reorganization submitted by the area education agency
18 board shall be based upon economic and geographic
19 factors and the political constituency of the school
20 district as well as the quality of the educational
21 offerings of the contiguous school district or school
22 districts with which it is proposed that the school
23 district merge. If the board cannot agree with the
24 proposals of the area education agency by the end of
25 the second year thereafter, the area education agency
26 board shall merge the district with one or more
27 contiguous school districts."

H-3338 FILED MARCH 24, 1987 BY MAULSBY of Calhoun

Amended w/d 3/25/87 (p. 820)

HOUSE FILE 499

H-3335

1 Amend House File 499 as follows:

2 1. Page 29, by striking lines 28 through 34 and
3 inserting the following: "to the state board of
4 education. A parent or guardian may appeal on the
5 basis that".

6 2. Page 30, line 8, by striking the words "area
7 education agency" and inserting the following:
8 "state".

9 3. Page 30, line 10, by striking the words "area
10 education agency" and inserting the following:
11 "state".

12 4. Page 30, line 17, by striking the words "area
13 education agency board" and inserting the following:
14 "state board of education".

BY PLASIER of Sioux
HAVERLAND of Polk

H-3335 FILED MARCH 24, 1987

(Adopted 3/25/87 (p. 828))

HOUSE FILE 499

H-3351

1 Amend the amendment, H-3323, to House File 499 as
2 follows:
3 1. By striking page 1, line 2 through page 2,
4 line 29, and inserting the following:
5 " _____. By striking page 3, line 23, through page
6 5, line 10, and inserting the following:
7 "Sec. _____. NEW SECTION. 294A.5 MINIMUM SALARY
8 PAYMENT.
9 Within thirty days after the effective date of this
10 section, if a school district or area education agency
11 is organized under chapter 20 for collective
12 bargaining purposes, the board of directors and
13 certified bargaining representative for the
14 certificated employees shall mutually agree upon a
15 minimum salary, not exceeding twenty thousand dollars,
16 to be paid to teachers for the school year beginning
17 July 1, 1987, funded as provided in this section and
18 based upon moneys appropriated by the general assembly
19 for phase I. If the school district is not organized
20 for collective bargaining purposes, the board of
21 directors shall determine the minimum salary for that
22 school year not exceeding twenty thousand dollars. In
23 succeeding school years, the amount of the minimum
24 salary may be increased using the procedure prescribed
25 for the school year beginning July 1, 1987, based upon
26 moneys appropriated by the general assembly for phase
27 I for a school year.
28 For the school year beginning July 1, 1987, the
29 board of directors of each school district and area
30 education agency shall certify to the department of
31 education the names of all teachers employed by the
32 district or area education agency whose regular
33 compensation is less than the minimum salary
34 determined under this section and shall state the
35 total cost of increasing those teachers' regular
36 compensation to the minimum salary. The department of
37 education shall notify the department of revenue and
38 finance the amount required for each school district
39 and area education agency to pay fifty percent of that
40 cost. The remaining portion of the cost of increasing
41 the teachers' regular compensation to the minimum
42 salary shall be paid from other moneys available to
43 the district or area education agency and from moneys
44 received pursuant to phase II. The salaries of
45 teachers employed on less than a full-time basis shall
46 be prorated.
47 For school years after the school year beginning
48 July 1, 1987, the department of revenue and finance
49 shall pay to each school district and area education
50 agency the amount paid for the school year beginning

1 July 1, 1987 plus fifty percent of the additional cost
2 of increasing the minimum salary beyond the minimum
3 salary adopted for the school year beginning July 1,
4 1987. The remaining portion of the cost of the
5 minimum salary increase shall be paid in the same
6 manner as the remaining portion is paid for the school
7 year beginning July 1, 1987."

8 _____. Page 5, line 27, by inserting after the
9 figure "II." the following: "Moneys received by a
10 district under phase II shall be used to increase
11 teacher salaries and may be used as part of the school
12 district's portion of funding the minimum salary
13 adopted under phase I."

14 _____. Page 7, by striking lines 14 through 30 and
15 inserting the following: "section 294A.9, the phase
16 II allocation shall not be paid to the school district
17 or area education agency."

H-3351 FILED MARCH 25, 1987 BY HUMMEL of Benton
LOST (p. 841)

HOUSE FILE 499

H-3353

1 Amend the amendment, H-3338, to House File 499 as
2 follows:

3 1. Page 1, line 26, by inserting after the word
4 "board" the following: "shall notify the state board
5 of education, and the state board of education".

6 2. Page 1, line 27, by inserting after the word
7 "districts." the following: "This section does not
8 apply to school districts which are sharing academic
9 classes with another school district nor to districts
10 which are accredited under section 256.11. In
11 addition, the director of the department of education
12 may grant permission to an area education agency board
13 to approve the formation or enlargement of a school
14 district containing a lower school enrollment than
15 required in this section on the written request of the
16 area education agency board if the request is
17 accompanied by evidence tending to show that sparsity
18 of population, natural barriers or other good reason
19 makes it impracticable to meet the school enrollment
20 requirement."

H-3353 FILED MARCH 25, 1987 BY MAULSBY of Calhoun
ADOPTED (p. 820)

HOUSE FILE 499

H-3354

1 Amend the amendment, H-3312, to House File 499 as
2 follows:

3 1. Page 5, by striking lines 5 through 22 and
4 inserting the following:

5 "_____. Page 32, by striking lines 20 through 25
6 and inserting the following: "budget year and shall
7 reduce the district's budget enrollment calculated
8 under paragraphs "a" and "b" by one-half that dif-
9 ference."

H-3354 FILED MARCH 25, 1987 BY METCALF of Polk
LOST (p. 829)

HOUSE FILE 499

H-3358

1 Amend amendment, H-3312, to House File 499 as
2 follows:

3 1. Page 7, by inserting after line 4 the
4 following:

5 "_____. Page 37, line 25, by inserting after the
6 word "enactment." the following: "Section 47 of this
7 Act takes effect July 1, 1988."

H-3358 FILED MARCH 25, 1987 BY OLLIE of Clinton
ADOPTED (J 821)

HOUSE FILE 499

H-3359

1 Amend the amendment, H-3289, to House File 499 as
2 follows:

3 1. Page 1, line 4, by striking the word "Sec.
4 _____." and inserting the following: "Sec. 100."

5 2. Page 1, line 25, by striking the word "Sec.
6 _____." and inserting the following: "Sec. 101."

7 3. Page 1, line 45, by striking the word "Sec.
8 _____." and inserting the following: "Sec. 102."

9 4. Page 2, line 26, by striking the word "Sec.
10 _____." and inserting the following: "Sec. 103."

11 5. Page 3, line 2, by striking the word "Sec.
12 _____." and inserting the following: "Sec. 104."

13 6. Page 3, by striking lines 8 through 10 and
14 inserting the following: "district minus the trans-
15 portation costs incurred by the sending district in
16 transporting the pupil."

17 7. Page 3, by inserting after line 30 the
18 following:

19 "_____. Page 37, line 23, by striking the word and
20 figure "and 51" and inserting the following: ", 51,
21 and 100 through 104".

22 _____. Page 37, line 25, by inserting after the
23 word "enactment." the following: "Sections 51 and 100
24 through 104 of this Act do not apply to sharing
25 agreements signed before the effective date of those
26 sections."

H-3359 FILED MARCH 25, 1987
ADOPTED (J 844)

BY BLANSHAN of Greene
STROMER of Hancock

HOUSE FILE 499

H-3356

1 Amend amendment, H-3312, to House File 499 as
2 follows:
3 1. By striking page 5, line 5 through page 6,
4 line 50, and inserting the following:
5 " . Page 32, by inserting after line 10 the
6 following:
7 "Sec. . Section 442.4, subsection 2, Code 1987,
8 is amended by striking the subsection and inserting in
9 lieu thereof the following:
10 2. For the school year beginning July 1, 1988 and
11 each subsequent school year, the adjusted enrollment
12 for a school district is equal to the basic enrollment
13 for the budget year."
14 . Page 32, line 13, by striking the letter
15 "c." and inserting the following: "c."
16 . Page 32, line 14, by striking the words
17 "school year thereafter" and inserting the following:
18 "of the next three school years".
19 . Page 32, line 16, by striking the word "The"
20 and inserting the following: "For each school year
21 the".
22 . Page 32, line 17, by striking the words "the
23 difference" and inserting the following: "an
24 enrollment reduction difference".
25 . Page 32, by striking lines 20 through 27 and
26 inserting the following: "budget year. For the
27 budget year beginning July 1, 1988, the department of
28 management shall reduce the budget enrollment of each
29 applicable district by twenty-five percent of the
30 enrollment reduction difference. For the budget year
31 beginning July 1, 1989, the reduction shall be fifty
32 percent of the enrollment reduction difference. For
33 the budget year beginning July 1, 1990, the reduction
34 shall be seventy-five percent of the enrollment
35 reduction difference. For the budget year beginning
36 July 1, 1991, and each succeeding budget year, the
37 budget enrollment for a budget year is equal to the
38 basic enrollment for the budget year.
39 ~~Adjustments-made-by-the-department-of-management~~
40 ~~under-subsection-5-of-this-section.~~
41 Sec. 100. Section 442.4, subsection 5, Code 1987,
42 is amended by striking the subsection."
43 2. Page 7, by inserting after line 4 the
44 following:
45 " . Page 37, line 25, by inserting after the
46 word "enactment." the following: "Section 100 of this
47 Act takes effect July 1, 1988."

H-3356 FILED MARCH 25, 1987

BY STROMER of Hancock

LOST (p. 829)

HOUSE FILE 499

H-3378

1 Amend the amendment, H-3292, to House File 499 as follows:

2 1. Page 3, line 29, by inserting after the word
3 "levy" the following: ", except as otherwise
4 provided,".

5 2. Page 3, line 31, by inserting after the word
6 "surtax" the following: ", not to exceed a surtax
7 rate of ten percent".

8 3. Page 3, line 49, by inserting after the word
9 "levy" the following: ", except as otherwise
10 provided,".

11 4. Page 4, line 1, by inserting after the word
12 "surtax" the following: ", not to exceed a surtax
13 rate of ten percent".

14 5. Page 4, by striking lines 3 through 14.

15 6. Page 4, line 21, by inserting after the word
16 "bonds" the following: ", except as otherwise
17 provided".

18 7. Page 4, line 26, by inserting after the word
19 "bonds" the following: ", not to exceed a surtax rate
20 of ten percent".

21 8. Page 5, line 7, by inserting after the word
22 "proposition" the following: ", except that a lesser
23 percent may be paid based upon a maximum ten percent
24 income surtax".

25 9. Page 5, line 29, by inserting after the figure
26 "76.21" the following: ", not to exceed a surtax rate
27 of twenty percent".

28 10. Page 6, line 8, by inserting after the word
29 "levy" the following: ", except as otherwise
30 provided,".

31 11. Page 6, line 9, by inserting after the word
32 "surtax" the following: ", not to exceed a surtax
33 rate of ten percent".

34 12. Page 6, line 12, by inserting after the word
35 "respectively." the following: "However, if an income
36 surtax is ten percent and it does not raise fifty
37 percent of the amount required to pay the lawful
38 bonded indebtedness, the property tax limits in this
39 section shall be increased accordingly."

40 H-3378 FILED MARCH 25, 1987 BY STROMER of Hancock
OUT OF ORDER (y. 845)

HOUSE FILE 499

H-3365

1 Amend the amendment, H-3337, to House File 499 as
2 follows:
3 1. Page 1, by inserting after line 13 the
4 following:
5 " . Page 29, by inserting after line 12 the
6 following:
7 "Sec. . Section 280A.25, Code 1987, is amended
8 by adding the following new subsection:
9 NEW SUBSECTION. 12. Ensure that area schools that
10 provide intercollegiate athletics as a part of their
11 program comply with section 601A.9."

BY CHAPMAN of Linn

DODERER of Johnson

H-3365 FILED MARCH 25, 1987

ADOPTED (p. 838)

HOUSE FILE 499

H-3368

1 Amend the amendment, H-3263, to House File 499, as
2 follows:
3 1. Page 1, line 9, by striking the word "con-
4 tiguous".

H-3368 FILED MARCH 25, 1987

BY HAVERLAND of Polk

ADOPTED (p. 842)

HOUSE FILE 499
BY COMMITTEE ON EDUCATION

(As Amended and Passed by the House March 25, 1987)

Passed House, Date 4/30/87 (p. 1234) Passed Senate, Date 4-16-87 (p. 1375)
Vote: Ayes 87 Nays 8 Vote: Ayes 46 Nays 9

Approved June 9 1987

Sec 55 & 68 become effective 7/1/88

*Proposed Senate 5/4/87 (p. 1671)
28-19*

*Motion to reconsider (pp. 1676, 1683)
" w/d 5/6/87 (p. 1726)*

A BILL FOR

1 An Act relating to education including salary increases,
 2 efficiencies, and education enhancement, relating to the
 3 establishment of an educational excellence program consisting
 4 of three phases relating to the recruitment of quality
 5 teachers, the retention of quality teachers, and the
 6 enhancement of the quality and effectiveness of teachers;
 * 7 activities of the state board of education relating to the
 8 accreditation process; duration of a superintendent's
 9 contract; open enrollment of pupils in contiguous school
 10 districts; postsecondary enrollment options for certain high
 11 school students; redrawing boundary lines of area education
 12 agencies; plans for a governance structure for merged area
 13 schools; majority vote for school district bond issues under
 14 certain conditions; date of the organizational meeting of
 15 school corporations; annual publication of financial
 16 statements; sharing interscholastic activity programs;
 17 adoption of student achievement goals; provision for
 18 intercollegiate athletic activities at merged area schools;
 19 procedure for opting out of whole grade sharing; calculation
 * 20 of enrollment of school districts; weighting for non-English-
 21 speaking students; and provide effective dates.

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

23
24
25

House Amendments
Deleted Language

hf, 499

db/pk/25

1 DIVISION I
2 EDUCATIONAL EXCELLENCE PROGRAM
3 Section 1. NEW SECTION. 294A.1 EDUCATIONAL EXCELLENCE
4 PROGRAM.

5 The purpose of this chapter is to promote excellence in
6 education. In order to maintain and advance the educational
7 excellence in the state of Iowa, this chapter establishes the
8 Iowa educational excellence program. The program shall
9 consist of three major phases addressing the following:

- 10 1. Phase I -- The recruitment of quality teachers.
- 11 2. Phase II -- The retention of quality teachers.
- 12 3. Phase III -- The enhancement of the quality and
13 effectiveness of teachers through the utilization of
14 performance pay.

15 Sec. 2. NEW SECTION. 294A.2 DEFINITIONS.

16 For the purposes of this chapter:

17 1. "Teacher" means an individual holding a teaching
18 certificate issued under chapter 260, letter of authorization,
19 or a statement of professional recognition issued by the board
20 of educational examiners who is employed in a
21 nonadministrative position by a school district or area
22 education agency pursuant to a contract issued by a board of
23 directors under section 279.13. A teacher may be employed in
24 both an administrative and a nonadministrative position by a
25 board of directors and shall be considered a part-time teacher
26 for the portion of time that the teacher is employed in a
27 nonadministrative position.

28 2. "Teacher's regular compensation" means the annual
29 salary specified in a teacher's contract pursuant to the
30 salary schedule adopted by the board of directors or
31 negotiated under chapter 20. It does not include pay earned
32 by a teacher for performance of additional noninstructional
33 duties and does not include the costs of the employer's share
34 of fringe benefits.

35 3. "Certified enrollment in a school district" for the

1 school years beginning July 1, 1987 and July 1, 1988, means
2 that district's basic enrollment for the budget year beginning
3 July 1, 1987 as defined in section 442.4. For each school
4 year thereafter, certified enrollment in a school district
5 means that district's basic enrollment for the budget year.

6 4. "Enrollment served" for the fiscal years beginning July
7 1, 1987 and July 1, 1988, means that area education agency's
8 enrollment served for the budget year beginning July 1, 1987.
9 For each school year thereafter, enrollment served means that
10 area education agency's enrollment served for the budget year.
11 Enrollment served shall be determined under section 442.27,
12 subsection 12.

13 5. "Specialized training requirements" means requirements
14 prescribed by a board of directors to meet specific needs of
15 the school district identified by the board of directors that
16 provide for the acquisition of clearly defined skills through
17 formal or informal education that are beyond the requirements
18 necessary for initial certification under chapter 260.

19 6. "General training requirements" means requirements
20 prescribed by a board of directors that provide for the
21 acquisition of additional semester hours of graduate credit
22 from an institution of higher education approved by the board
23 of educational examiners or the completion of staff
24 development activities approved by the department of education
25 for renewal of certificates issued under chapter 260.

26 Sec. 3. NEW SECTION. 294A.3 EDUCATIONAL EXCELLENCE FUND.

27 An educational excellence fund is established in the office
28 of treasurer of state to be administered by the department of
29 education. Moneys appropriated by the general assembly for
30 deposit in the fund shall be paid to school districts and area
31 education agencies pursuant to the requirements of this
32 chapter and shall be expended only to pay for increases in the
33 regular compensation of teachers and other salary increases
34 for teachers, to pay the costs of the employer's share of
35 federal social security and Iowa public employees' retirement

1 system, or a pension and annuity retirement system established
2 under chapter 294, payments on the salary increases, and to
3 pay costs associated with providing specialized or general
4 training. Moneys received by school districts and area
5 education agencies shall not be used for pay earned by a
6 teacher for performance of additional noninstructional duties.

7 Moneys appropriated to the fund for phase I, phase II, and
8 phase III shall be distributed in the manner provided in this
9 chapter.

10 DIVISION II

11 PHASE I

12 Sec. 4. NEW SECTION. 294A.4 GOAL.

13 The goal of phase I is to provide for establishment of pay
14 plans incorporating sufficient annual compensation to attract
15 quality teachers to Iowa's public school system. This is
16 accomplished by increasing the minimum salary. A beginning
17 salary which is competitive with salaries paid to other
18 professionals will provide incentive for top quality
19 individuals to enter the teaching profession.

20 Sec. 5. NEW SECTION. 294A.5 MINIMUM SALARY SUPPLEMENT.

21 For the school year beginning July 1, 1987 and succeeding
22 school years, the minimum annual salary paid to a full-time
23 teacher as regular compensation shall be eighteen thousand
24 dollars.

25 For the school year beginning July 1, 1987 for phase I,
26 each school district and area education agency shall certify
27 to the department of education the names of all teachers
28 employed by the district or area education agency whose
29 regular compensation is less than eighteen thousand dollars
30 per year and the amounts needed as minimum salary supplements.
31 The minimum salary supplement for each eligible teacher is the
32 total of the difference between eighteen thousand dollars and
33 the teacher's regular compensation plus the amount required to
34 pay the employer's share of the federal social security and
35 Iowa public employees' retirement system, or a pension and

1 annuity retirement system established under chapter 294,
2 payments on the additional salary moneys.

3 The board of directors shall report the salaries of
4 teachers employed on less than a full-time equivalent basis,
5 and the amount of minimum salary supplement shall be prorated.

6 Sec. 6. NEW SECTION. 294A.6 PAYMENTS.

7 For the school year beginning July 1, 1987, the department
8 of education shall notify the department of revenue and
9 finance of the total minimum salary supplement to be paid to
10 each school district and area education agency under phase I.
11 The amount of the total minimum salary supplement paid to a
12 school district or area education agency for the school year
13 beginning July 1, 1987 shall be paid to that school district
14 or area education agency for the school year beginning July 1,
15 1988. For the school year beginning July 1, 1989, the total
16 minimum salary supplement paid to a school district or area
17 education agency is sixty-six and two-thirds percent of the
18 supplement paid for the school year beginning July 1, 1988.
19 For the school year beginning July 1, 1990, the total minimum
20 salary supplement is fifty percent of the supplement paid for
21 the school year beginning July 1, 1989. For school years
22 thereafter, a minimum salary supplement shall not be paid to a
23 school district or area education agency. For each of the
24 school years beginning July 1, 1989 and July 1, 1990, it is
25 the intent of the general assembly to appropriate moneys to
26 phase II equal to the difference between the total minimum
27 salary supplement paid for the school year beginning July 1,
28 1988 and the total minimum salary supplement paid under this
29 section for each of those fiscal years. For the school year
30 beginning July 1, 1989 and succeeding school years, school
31 districts for which the amount of the total minimum salary
32 supplement paid for the school year beginning July 1, 1988 is
33 greater than the total of the total minimum salary supplement,
34 if any, and the additional amount received under phase II
35 because of the reduction in minimum salary supplement money

1 under phase I, may use additional allowable growth under
2 section 442.7 to raise an amount equal to the difference.

*3 If the moneys appropriated for phase I are either
4 insufficient or moneys remain after payments are made for a
5 fiscal year, moneys shall be transferred from or added to the
6 moneys appropriated for phase III.

7 Sec. 7. NEW SECTION. 294A.7 REVIEW.

8 The department of education shall prepare a report to be
9 submitted to the governor and the general assembly not later
10 than October 1, 1988 that lists the phase I money received by
11 each school district and area education agency and the salary
12 schedule changes that have occurred. The report shall contain
13 recommendations incorporating the phase I funding into the
14 school aid formula.

15 DIVISION III

16 PHASE II

17 Sec. 8. NEW SECTION. 294A.8 GOAL.

18 The goal of phase II is to keep Iowa's best educators in
19 the profession and assist in their development by providing
20 general salary increases.

21 Sec. 9. NEW SECTION. 294A.9 PHASE II PROGRAM.

*22 Phase II is established to improve the salaries of
23 teachers. For the fiscal years beginning July 1, 1987 and
24 July 1, 1988, the department of education shall allocate to
25 each school district for the purpose of implementing phase II
26 an amount equal to seventy-five dollars and ninety-three cents
27 multiplied by the district's certified enrollment if the
28 general assembly has appropriated thirty-eight million five
29 hundred thousand dollars for school districts and area
30 education agencies for phase II for those fiscal years. If
31 the general assembly has appropriated a different amount for
32 those fiscal years for phase II, the department of education
33 shall adjust the amount for each student enrolled accordingly.

*34 For fiscal years thereafter, the department of education shall
35 adjust the amount for each student enrolled to correspond to

1 the changes in certified enrollment in the state and the
2 moneys appropriated for phase II.

3 For the fiscal years beginning July 1, 1987 and July 1,
4 1988, the department of education shall allocate to each area
5 education agency for the purpose of implementing phase II an
6 amount equal to three dollars and fifty-five cents multiplied
7 by the enrollment served in the area education agency if the
8 general assembly has appropriated thirty-eight million five
9 hundred thousand dollars for school districts and area
10 education agencies for phase II for those fiscal years. If
11 the general assembly has appropriated a different amount for
12 those fiscal years for phase II, the department of education
13 shall adjust the amount for the enrollment served accordingly.

*14 For fiscal years thereafter, the department of education shall
15 adjust the amount for each student served to correspond to the
16 changes in enrollment served in the state and the moneys
17 appropriated for phase II.

18 The department of education shall certify the amounts of
19 the allocations to the department of revenue and finance and
20 the department of revenue and finance shall make the payments
21 to school districts and area education agencies.

22 If a school district has discontinued grades under section
23 282.7, subsection 1, or students attend school in another
24 school district, under an agreement with the board of the
25 other school district, the board of directors of the district
26 of residence shall transmit the phase II moneys allocated to
27 the district for those students based upon the full-time
28 equivalent attendance of those students to the board of the
29 school district of attendance of the students.

30 If a school district uses teachers under a contract between
31 the district and the area education agency in which the
32 district is located, the school district shall transmit to the
33 employing area education agency a portion of its phase II
34 allocation based upon the portion that the salaries of
35 teachers employed by the area education agency and assigned to

1 the school district for a school year bears to the total
2 teacher salaries paid in the district for that school year,
3 including the salaries of the teachers employed by the area
4 education agency.

5 If the school district or area education agency is
6 organized under chapter 20 for collective bargaining purposes,
7 the board of directors and certified bargaining representative
8 for the certificated employees shall mutually agree upon a
9 formula for distributing the phase II allocation among the
10 teachers. For the school year beginning July 1, 1987 only,
11 the parties shall follow the procedures specified in chapter
12 20 except that if the parties reach an impasse, neither
13 impasse procedures agreed to by the parties nor sections 20.20
14 through 20.22 shall apply and the phase II allocation shall be
15 divided as provided in section 294A.10. Negotiations under
16 this section are subject to the scope of negotiations
17 specified in section 20.9. If a board of directors and
18 certified bargaining representative for certificated employees
19 have not reached mutual agreement by June 15, 1987 for the
20 distribution of the phase II payment, section 294A.10 will
21 apply.

22 If the school district or area education agency is not
23 organized for collective bargaining purposes, the board of
24 directors shall determine the method of distribution.

25 Sec. 10. NEW SECTION. 294A.10 FAILURE TO AGREE ON
26 DISTRIBUTION.

27 For the school year beginning July 1, 1987 only, if the
28 board of directors and certified bargaining representative for
29 the certificated employees have not reached agreement under
30 section 294A.9, the board of directors shall divide the
31 payment among the teachers employed by the district or area
32 education agency as follows:

33 1. All full-time teachers whose regular compensation is
34 equal to or more than eighteen thousand dollars per year will
35 receive an equal amount from the phase II allocation.

1 2. A teacher who will receive a minimum salary supplement
2 under section 294A.5 will receive moneys equal to the
3 difference between the amount from the phase II allocation and
4 the minimum salary supplement paid to that teacher.

5 3. The amount from the phase II allocation will be
6 prorated for a teacher employed on less than a full-time
7 basis.

8 4. An amount from the phase II allocation includes the
9 amount required to pay the employers' share of the federal
10 social security and Iowa public employees' retirement system,
11 or a pension and annuity retirement system established under
12 chapter 294, payments on the additional salary.

13 Sec. 11. NEW SECTION. 294A.11 REPORTS.

14 By August 15, 1987, each school district and area education
15 agency shall file a report with the department of education,
16 on forms provided by the department of education, specifying
17 the method used to distribute the phase II allocation.

18 Reports filed by area education agencies shall include a
19 description of the method used to distribute phase II
20 allocations to teachers employed by the area education agency
21 working under contract in a school district.

22 DIVISION IV

23 PHASE III

24 Sec. 12. NEW SECTION. 294A.12 GOAL.

25 The goal of phase III is to enhance the quality,
26 effectiveness, and performance of Iowa's teachers by promoting
27 teacher excellence and to promote student achievement. This
28 will be accomplished through the development of performance-
29 based pay plans and supplemental pay plans requiring
30 additional instructional work assignments which may include
31 specialized training or differential training, or both.

32 Sec. 13. NEW SECTION. 294A.13 PHASE III PROGRAM.

33 For the school year beginning July 1, 1987 and succeeding
34 school years, each school district and area education agency
35 that meet the requirements of this section are eligible to

1 receive moneys for the implementation under phase III of a
2 performance-based pay plan or supplemental pay plan, or a
3 combination of the two. In order to be eligible to receive
4 phase III moneys, the board of directors of a school district
5 and area education agency shall include as a part of its plan
6 for phase III that the teacher will be required to complete at
7 least one hundred ninety working days during that year.

* 8 Working days in excess of the number of working days required
9 for teachers during the school year commencing July 1, 1986 to
10 meet the one hundred ninety day requirement shall not require
11 the teacher to teach students additional days. Moneys
12 appropriated for phase III may be used to reimburse teachers
13 for additional contract days required under this section.

14 Sec. 14. NEW SECTION. 294A.14 PHASE III PAYMENTS.

15 Annually, if the general assembly has appropriated fifty
16 million dollars for school districts and area education
17 agencies for phase III, the payments for an approved plan for
18 a school district are equal to the product of a district's
19 certified enrollment and ninety-eight dollars and sixty-three
20 cents. Annually, if the general assembly has appropriated
21 fifty million dollars for school districts and area education
22 agencies for phase III, the payments for an approved plan for
23 an area education agency are equal to the product of an area
24 education agency's enrollment served and four dollars and
25 sixty cents. However, the department of education shall
26 adjust the amount for each student enrolled to correspond to
27 changes in the certified enrollment and enrollment served, and
28 the moneys available for phase III, when the moneys available
29 are either more or less than the moneys appropriated for phase
*30 III.

31 If a school district has discontinued grades under section
32 282.7, subsection 1, or students attend school in another
33 school district, under an agreement with the board of the
34 other school district, the board of directors of the district
35 of residence shall transmit the phase III moneys allocated to

1 the district for those students based upon the full-time
2 equivalent attendance of those students to the board of the
3 school district of attendance of the students.

4 A plan shall be developed using the procedure specified
5 under section 294A.15. The plan shall provide for the
6 establishment of a performance-based pay plan, a supplemental
7 pay plan, or a combination of the two pay plans and shall
8 include a budget for the cost of implementing the plan. In
9 addition to the costs of providing additional salary for
10 teachers and the amount required to pay the employers' share
11 of the federal social security and Iowa public employees'
12 retirement system, or a pension and annuity retirement system
13 established under chapter 294, payments on the additional
14 salary, the budget may include costs associated with providing
15 specialized or general training. Moneys received under phase
16 III shall not be used to employ additional employees of a
17 school district. However, all teachers employed are eligible
18 to receive additional salary under an approved plan.

19 For the purpose of this section, a performance-based pay
20 plan shall provide for salary increases for teachers who
21 demonstrate superior performance in completing assigned
22 duties. The plan shall include the method used to determine
23 superior performance of a teacher. For school districts, the
24 plan may include assessments of specific teaching behavior,
25 assessments of student performance, assessments of other
26 characteristics associated with effective teaching, or a
27 combination of these criteria.

28 For school districts, a performance-based pay plan may
29 provide for additional salary for individual teachers or for
30 additional salary for all teachers assigned to an attendance
31 center. For area education agencies, a performance-based pay
32 plan may provide for additional salary for individual teachers
33 or for additional salary for all teachers assigned to a
34 specific discipline within an area education agency. If the
35 plan provides additional salary for all teachers assigned to

1 an attendance center, or specific discipline, the receipt of
2 additional salary by those teachers shall be determined on the
3 basis of whether that attendance center or specific
4 discipline, meets specific objectives adopted for that
5 attendance center, or specific discipline. For school
6 districts, the objectives may include, but are not limited to,
7 decreasing the dropout rate, increasing the attendance rate,
8 or accelerating the achievement growth of students enrolled in
9 that attendance center.

10 If a performance-based pay plan provides additional salary
11 for individual teachers:

12 1. The plan may provide for salary moneys in addition to
13 the existing salary schedule of the school district or area
14 education agency and may require the participation by the
15 teacher in specialized training requirements.

16 2. The plan may provide for salary moneys by replacing the
17 existing salary schedule or as an option to the existing
18 salary schedule and may include specialized training
19 requirements, general training requirements, and experience
20 requirements.

21 For the purpose of this section, a supplemental pay plan in
22 a school district shall provide for the payment of additional
23 salary to teachers who participate in either additional
24 instructional work assignments or specialized training during
25 the regular school day or during an extended school day,
26 school week, or school year. A supplemental pay plan in an
27 area education agency shall provide for the payment of
28 additional salary to teachers who participate in either
29 additional work assignments or improvement of instruction
30 activities with school districts during the regular school day
31 or during an extended school day, school week, or school year.

32 For school districts, additional instructional work
33 assignments may include but are not limited to general
34 curriculum planning and development, vertical articulation of
35 curriculum, horizontal curriculum coordination, development of

1 educational measurement practices for the school district,
2 development of plans for assisting beginning teachers during
3 their first year of teaching, attendance at summer staff
4 development programs, development of staff development
5 programs for other teachers to be presented during the school
6 year, and other plans locally determined in the manner
7 specified in section 294A.15 and approved by the department of
8 education under section 294A.16 that are of equal importance
9 or more appropriately meet the educational needs of the school
10 district.

11 For area education agencies, additional instructional work
12 assignments may include but are not limited to providing
13 assistance and support to school districts in general
14 curriculum planning and development, providing assistance to
15 school districts in vertical articulation of curriculum and
16 horizontal curriculum coordination, development of educational
17 measurement practices for school districts in the area
18 education agency, development of plans for assisting beginning
19 teachers during their first year of teaching, attendance or
20 instruction at summer staff development programs, development
21 of staff development programs for school district teachers to
22 be presented during the school year, and other plans
23 determined in the manner specified in section 294A.15 and
24 approved by the department of education under section 294A.16
25 that are of equal importance or more appropriately meet the
26 educational needs of the area education agency.

27 Sec. 15. NEW SECTION. 294A.15 DEVELOPMENT OF PLAN.

28 The board of directors of a school district desiring to
29 receive moneys under phase III shall appoint a committee
30 consisting of representatives of school administrators,
31 teachers, parents, students, and other individuals interested
32 in the public schools of the school district to develop a
33 proposal. The board of directors of an area education agency
34 desiring to receive moneys under phase III shall appoint a
35 committee of similar membership to develop a proposal. If the

1 school district or area education agency is organized under
2 chapter 20 for collective bargaining purposes, the board shall
3 provide that one of the teacher members of the committee is an
4 individual selected by the certified bargaining representative
5 for certificated employees of the district or area education
6 agency. The proposal developed by the committee shall be
7 submitted to the board of directors of the school district or
8 area education agency prior to its submission to the
9 department of education. For the school year beginning July
10 1, 1987, if the school district or area education agency is
11 organized for collective bargaining purposes under chapter 20,
12 the portions of the proposed plan that are within the scope of
13 negotiations specified in section 20.9 require the mutual
14 agreement by January 1, 1988 of both the board of directors of
15 the school district or area education agency and the certified
16 bargaining representative for the certificated employees. In
17 succeeding years, if the school district or area education
18 agency is organized for collective bargaining purposes, the
19 portions of the proposed plan that are within the scope of the
20 negotiations specified in section 20.9 are subject to chapter
21 20.

22 Nothing in this chapter shall be construed to expand or
23 restrict the scope of negotiations in section 20.9.

24 Sec. 16. NEW SECTION. 294A.16 SUBMISSION OF PLAN.

25 A plan shall be submitted by the board of directors of a
26 school district or area education agency to the department of
27 education not later than July 1 of a school year for that
28 school year. Amendments to multiple year plans may be
29 submitted annually.

30 If a school district uses teachers under a contract between
31 the district and the area education agency in which the
32 district is located, the school district shall make provision
33 for those teachers under phase III.

34 The department of education shall review each plan and
35 notify the department of management of the names of school

1 districts and area education agencies with approved plans.

2 However, for the school year beginning July 1, 1987, a
3 board of directors may submit a proposed plan not later than
4 January 1, 1988, and the department of education shall notify
5 the department of revenue and finance not later than February
6 1, 1988 of the plans approved by the department. Moneys
7 allocated to a school district or area education agency for an
8 approved phase III plan for a school year but not expended
9 during that school year shall revert to the general fund of
10 the state as provided in section 8.33.

11 Sec. 17. NEW SECTION. 294A.17 REPORT.

12 Each school district and area education agency receiving
13 moneys for phase III during a school year shall file a report
14 with the department of education by July 1 of the next
15 following school year. The report shall describe the plan,
16 its implementation, and the expenditures made under the plan
17 including the salary increases paid to each eligible employee.
18 The report may include any proposed amendments to the plan for
19 the next following school year.

20 Sec. 18. NEW SECTION. 294A.18 REVERSION OF MONEYS.

21 Any portion of moneys appropriated to the educational
22 excellence trust fund for phase III for a fiscal year not
23 expended by school districts and area education agencies
24 during that fiscal year revert to the general fund of the
25 state as provided in section 8.33.

26 DIVISION V

27 GENERAL PROVISIONS

28 Sec. 19. NEW SECTION. 294A.19 RULES.

29 The state board of education shall adopt rules under
30 chapter 17A for the administration of this chapter.

31 Sec. 20. NEW SECTION. 294A.20 PAYMENTS.

32 Payments for each phase of the educational excellence
33 program shall be made by the department of revenue and finance
34 in conjunction with state aid payments under section 442.26.
35 The payments to a school district or area education agency may

1 be combined and a separate accounting of the amount paid for
2 each program shall be included.

3 Any payments made to school districts or area education
4 agencies under this chapter are miscellaneous income for
5 purposes of chapter 442.

6 Sec. 21. NEW SECTION. 294A.21 MULTIPLE SALARY PAYMENTS.

7 The salary increases that may be granted to a teacher under
8 phase III are in addition to any salary increases granted to a
9 teacher under phase I or phase II.

10 Sec. 22. NEW SECTION. 294A.22 COVERAGE OF CERTAIN
11 TEACHERS.

12 The department of education shall make payments of minimum
13 salary supplements for phase I to the Iowa braille and sight-
14 saving school and the Iowa school for the deaf for the
15 classroom teachers at those schools, and the department shall
16 allocate moneys from phase II to the schools based upon the
17 enrollment at the schools.

18 DIVISION VI

19 EFFICIENCY INCENTIVES

* 20 Sec. 23. Section 256.7, subsection 7, unnumbered paragraph
21 1, Code 1987, is amended to read as follows:

22 Develop plans for the restructuring of school districts,
23 area education agencies, and merged area schools, with
24 specific emphasis on combining the area education agencies and
25 merged area schools and on redrawing the boundary lines of
26 area education agencies so that the total number of area
27 education agencies is not more than twelve. The state board
28 shall also study the governance structure of the merged area
29 schools, including but not limited to governance at the
30 statewide level with a director of community college education
31 serving under a state board. The plans shall be reported to
32 the general assembly not later than October 1, 1987. However,
33 the report of the plans relating to the governance structure
34 of the merged area schools shall be reported to the general
35 assembly not later than January 1, 1988. The focus of the

1 plans shall be to assure more productive and efficient use of
2 limited resources, equity of geographical access to
3 facilities, equity of educational opportunity within the
4 state, and improved student achievement.

5 The state board shall redraw the boundary lines of the area
6 education agencies in this state and provide for an orderly
7 transition so that on July 1, 1990, the total number of area
8 education agencies is not more than twelve.

9 Prior to July 1, 1989, the state board shall make
10 recommendations to the general assembly concerning the number
11 and election of board members and division of assets and
12 liabilities.

13 Sec. 24. Section 256.11, subsection 10, unnumbered
14 paragraph 1, Code 1987, is amended to read as follows:

15 The state board shall establish an accreditation process
16 for school districts pursuant to this subsection and
17 subsections 11 and 12. The accreditation process shall take
18 effect for one-third of the school districts during the school
19 year commencing July 1, 1989 and an additional one-third
20 during each of the next following two school years. The state
21 board shall determine the districts to be subject to the
22 accreditation process during a year based upon complaints
23 about districts received by the state board. A school
24 district not subject to the accreditation process is subject
25 to the approval process as provided in section 257.25, Code
26 1985. Accreditation is valid for a three-year period. In
27 addition to employees of the department of education, the
28 director shall appoint a committee of not more than five
29 individuals one of whom is a member of a local school district
30 board of directors; three of whom possess certificates under
31 chapter 260 and are employed in a nonpublic school, school
32 district, merged area school, area education agency, or
33 institution of higher education; and one of whom is not a
34 board member or certificate holder, to serve as an
35 accreditation committee for a school district or nonpublic

1 school. If the accreditation committee is for a nonpublic
2 school, the board member may be either a board member or
3 administrator of a nonpublic school. The members of the
4 accreditation committee shall be broadly representative of the
5 educational profession and shall not have a direct interest in
6 the school district or nonpublic school.

7 Sec. 25. Section 256.11, Code 1987, is amended by adding
8 the following new subsection:

9 NEW SUBSECTION. 12A. If the state board determines under
10 subsection 11 that a school district should not receive
11 accreditation, within ninety days after the state board's
12 determination, the parent or guardian of a pupil who is a
13 resident of that school district may file notification with
14 the board of directors of the resident school district that
15 the parent or guardian intends to enroll the parent's or
16 guardian's child in a public school in a contiguous school
17 district because the contiguous school district offers an
18 opportunity for academic instruction that is not taught in the
19 district of residence. If the board of directors of the
20 contiguous school district accepts the pupil's enrollment in a
21 school in the district, the board of directors of the district
22 of residence shall pay to the contiguous district for that
23 school year the lower district cost per pupil of the two
24 districts. Quarterly payments shall be made to the contiguous
25 school district. Notwithstanding section 285.1 relating to
26 transportation of nonresident pupils, the contiguous district
27 may transport the nonresident pupils enrolled under this
28 subsection without charge. Attendance in a contiguous school
29 district may continue until final disposition is made under
30 subsection 12.

31 Sec. 26. Section 256.13, Code 1987, is amended to read as
32 follows:

33 256.13 NONRESIDENT PUPILS.

34 The boards of directors of two or more school districts may
35 by agreement provide for attendance of pupils residing in one

1 district in the schools of another district for the purpose of
2 taking courses not offered in the district of their residence.
3 The boards may also provide by agreement that the districts
4 will combine their enrollments for one or more grades.
5 Courses and grades made available to students in this manner
6 shall be considered as complying with any standards or laws
7 requiring the offering of such courses and grades. The boards
8 of directors of districts entering into such agreements may
9 shall provide for sharing the costs and expenses of the
10 courses. If the agreement provides for whole grade sharing,
11 the costs and expenses shall be paid as provided in sections
12 282.10 through 282.12.

13 Sec. 27. NEW SECTION. 261C.1 TITLE.

14 This chapter may be cited as the "Postsecondary Enrollment
15 Options Act".

16 Sec. 28. NEW SECTION. 261C.2 POLICY.

17 It is the policy of this state to promote rigorous academic
18 pursuits and to provide a wider variety of options to high
19 school pupils by enabling eleventh and twelfth grade pupils to
20 enroll part time in nonsectarian courses in eligible
21 postsecondary institutions of higher learning in this state.

22 Sec. 29. NEW SECTION. 261C.3 DEFINITIONS.

23 As used in this chapter, unless the context otherwise
24 requires:

25 1. "Eligible postsecondary institution" means an
26 institution of higher learning under the control of the state
27 board of regents, an area school established under chapter
28 280A, or an accredited private institution as defined in
29 section 261.9, subsection 5.

30 2. "Eligible pupil" means a pupil classified by the board
31 of directors of a school district as an eleventh or twelfth
32 grade pupil during the period the pupil is participating in
33 the enrollment option provided under this chapter.

34 Sec. 30. NEW SECTION. 261C.4 AUTHORIZATION.

*35 An eligible pupil may make application to an eligible

1 institution to allow the eligible pupil to enroll for academic
2 credit in a nonsectarian course offered at that eligible
*3 institution. A comparable course must not be offered by the
4 school district in which the pupil is enrolled. If an
5 eligible institution accepts an eligible pupil for enrollment
6 under this section, the institution shall send written notice
7 to the pupil, the pupil's school district, and the department
*8 of education. The notice shall list the course, the clock
9 hours the pupil will be attending the course, and the number
10 of hours of postsecondary academic credit that the eligible
11 pupil will receive from the eligible institution upon
12 successful completion of the course.

13 Sec. 31. NEW SECTION. 261C.5 HIGH SCHOOL CREDITS.

14 A school district shall grant high school academic credit
15 to an eligible pupil enrolled in a course under this chapter
16 if the eligible pupil successfully completes the course as
17 determined by the eligible institution. The board of
18 directors of the school district shall determine the number of
19 high school credits that shall be granted to an eligible pupil
20 who successfully completes a course. If there is a dispute
21 between the board of directors of the school district and the
22 pupil, or the pupil's parent or guardian, regarding the number
23 of high school credits granted for a particular course, the
24 pupil, or the pupil's parent or guardian, may appeal the
25 decision of the board of directors to the state board of
26 education under chapter 290. The decision of the state board
27 is final.

28 The high school credits granted to an eligible pupil under
29 this section shall count toward the graduation requirements
30 and subject area requirements of the school district of
31 residence of the eligible pupil. Evidence of successful
32 completion of each course and high school credits and
33 postsecondary academic credits received shall be included in
34 the pupil's high school transcript.

35 Sec. 32. NEW SECTION. 261C.6 SCHOOL DISTRICT PAYMENTS.

1 Not later than June 30 of each year, a school district
2 shall pay a tuition reimbursement amount to an eligible
3 postsecondary institution that has enrolled its resident
4 eligible pupils under this chapter. The amount of tuition
5 reimbursement for each separate course shall equal the lesser
6 of:

7 1. The actual and customary costs of tuition, textbooks,
8 materials, and fees directly related to the course taken by
9 the eligible student.

10 2. Two hundred dollars.

11 A pupil is not eligible to enroll on a full-time basis in
12 an eligible postsecondary institution and receive payment for
13 all courses in which a student is enrolled. If an eligible
14 postsecondary institution is an area school established under
15 chapter 280A, the contact hours of a pupil for which a tuition
16 reimbursement amount is received are not contact hours
17 eligible for general aid under chapter 286A.

18 Sec. 33. NEW SECTION. 261C.7 TRANSPORTATION.

19 The parent or guardian of an eligible pupil who has
20 enrolled in and is attending an eligible postsecondary
21 institution under this chapter shall furnish transportation to
22 and from the eligible postsecondary institution for the pupil.

23 Sec. 34. NEW SECTION. 261C.8 PROHIBITION ON CHARGES.

24 An eligible postsecondary institution that enrolls an
25 eligible pupil under this chapter shall not charge that pupil
26 for tuition, textbooks, materials, or fees directly related to
27 the course in which the pupil is enrolled except that the
28 pupil may be required to purchase equipment that becomes the
29 property of the pupil.

30 Sec. 35. NEW SECTION. 261C.9 PUPIL ENROLLMENT.

31 Payments shall not be made under section 261C.6 if the
32 eligible pupil is enrolled on a full-time basis in the pupil's
33 school district of residence as well as enrolling in a course
34 or program in an eligible postsecondary institution.

35 Sec. 36. Section 273.2, unnumbered paragraph 1, Code 1987,

1 is amended to read as follows:

2 There are established throughout the state fifteen area
3 education agencies, each of which is governed by an area
4 education agency board of directors. Effective July 1, 1990,
5 there are established not more than twelve area education
6 agencies. The boundaries of an area education agency shall
7 not divide a school district. The director of the department
8 of education shall change boundaries of area education
9 agencies to take into account mergers of local school
10 districts and changes in boundaries of local school districts,
11 when necessary to maintain the policy of this chapter that a
12 local school district shall not be a part of more than one
13 area education agency.

14 Sec. 37. NEW SECTION. 273.10 COMBINING AREA EDUCATION
15 AGENCIES.

16 An area education agency may combine with an adjacent area
17 education agency after a favorable vote by the electors of
18 each of the area education agencies involved. The procedure
19 used for the combination of area education agencies shall be
20 the same as the procedure prescribed in section 280A.39 for
21 merged area schools. Election of directors for the combined
22 area education agency shall follow the procedures established
23 for election of directors of an area education agency.

24 If area education agencies combine, the collective
25 bargaining agreement of the area education agency with the
26 largest enrollment served, as defined in section 442.27, in
27 the new area education agency shall serve as the base
28 agreement and the employees of the other area education
29 agencies involved in the formation of the new area education
30 agency shall automatically be accreted to the bargaining unit
31 of that collective bargaining agreement for purposes of
32 negotiating the contracts for the following years without
33 further action by the public employment relations board. If
34 only one collective bargaining agreement is in effect among
35 the area education agencies which are party to the

1 combination, then that agreement shall serve as the base
2 agreement, and the employees of the other area education
3 agencies involved in the formation of the new area education
4 agency shall automatically be accreted to the bargaining unit
5 of that collective bargaining agreement for purposes of
6 negotiating the contracts for the following years without
7 further action by the public employment relations board. The
8 board of the newly formed area education agency, using the
9 base agreement as its existing contract, shall bargain with
10 the combined employees of the existing area education agencies
11 for the school year beginning with the effective date of the
12 combination. The bargaining shall be completed by March 15
13 prior to the school year in which the combination becomes
14 effective or within one hundred eighty days after the
15 organization of the new board, whichever is later. If a
16 bargaining agreement was already concluded by the board and
17 employees of the existing area education agency with the
18 contract serving as the base agreement for the school year
19 beginning with the effective date of the combination, that
20 agreement shall be void. However, if the base agreement
21 contains multiyear provisions affecting school years
22 subsequent to the effective date of the combination, the base
23 agreement shall remain in effect as specified in the
24 agreement.

25 Sec. 38. NEW SECTION. 273.14 ADMINISTRATION.

26 Beginning July 1, 1988, the board of directors of an area
27 education agency and the board of directors of the merged area
28 school encompassing primarily the same area may vote, by a
29 majority of both boards, to combine the administrative units
30 of both boards into one administrative unit. All statutes
31 relating to the functions of and funding of the area education
32 agency and the merged area school shall be applicable. If the
33 boards of directors approve the action, the question shall be
34 submitted to the electors of the area at a special election in
35 the manner specified in section 280A.39.

1 Sec. 39. Section 279.1, unnumbered paragraph 1, Code 1987,
2 is amended to read as follows:

3 The board of directors of each school corporation shall
4 meet and organize at ~~two o'clock p.m., or at seven-thirty~~
5 ~~o'clock p.m., if so ordered by the president of the board, on~~
6 ~~the third Monday in September each year~~ the first regular
7 meeting after a regular school election at some suitable place
8 to be designated by the secretary. Notice of the place and
9 hour of such meeting shall be given by the secretary to each
10 member and each member-elect of the board.

11 Sec. 40. Section 279.20, Code 1987, is amended to read as
12 follows:

13 279.20 SUPERINTENDENT -- TERM.

14 The board of directors of any a school district shall have
15 ~~power to~~ may employ a superintendent of schools for ~~one year.~~
16 ~~After serving at least seven months, the superintendent may be~~
17 ~~employed for~~ a term of not to exceed three years. The
18 superintendent shall be the executive officer of the board and
19 have such powers and duties as may be prescribed by rules
20 adopted by the board or by law. Boards of directors may
21 jointly exercise the powers conferred by this section.

22 Sec. 41. Section 279.34, Code 1987, is amended to read as
23 follows:

24 279.34 FINANCIAL STATEMENT -- PUBLICATION.

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

35 Sec. 42. Section 279.35, Code 1987, is amended by striking

1 the section and inserting in lieu thereof the following:

2 279.35 PUBLICATION OF PROCEEDINGS.

3 The proceedings of each regular, adjourned, or special
4 meeting of the board, including the schedule of bills allowed,
5 shall be published after the adjournment of the meeting in the
6 manner provided in this section and section 279.36, and the
7 publication of the schedule of the bills allowed shall include
8 a list of claims allowed, including salary claims for services
9 performed. The list shall include the name of the person or
10 firm making the claim, the purpose of the claim, and the
11 amount of the claim. However, salaries paid to individuals
12 regularly employed by the district shall only be published
13 annually and the publication shall include the total amount of
14 the annual salary of each employee. The secretary shall
15 furnish a copy of the proceedings to be published within two
16 weeks following the adjournment of the meeting. Matters
17 discussed in closed session pursuant to section 21.5 shall not
18 be published until the matters are no longer confidential.

19 Sec. 43. Section 279.36, Code 1987, is amended by striking
20 the section and inserting in lieu thereof the following:

21 279.36 PUBLICATION PROCEDURES AND FEE.

22 The requirements of sections 279.34 and 279.35 are
23 satisfied by publication in at least one newspaper published
24 in the district or, if there is none, in at least one
25 newspaper having general circulation within the district.

26 For the fiscal year beginning July 1, 1987, the fee for
27 publications required under sections 279.34 and 279.35 shall
28 not exceed three-fifths of the legal publication fee provided
29 by statute for the publication of legal notices. For the
30 fiscal year beginning July 1, 1988, the fee for the
31 publications shall not exceed three-fourths of that legal
32 publication fee. For the fiscal year beginning July 1, 1989,
33 and each fiscal year thereafter, the fee for the publications
34 shall be the legal publication fee provided by statute.

35 Sec. 44. Section 280.4, Code 1987, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. 4. In order to provide funds for the
3 excess costs of instruction of non-English-speaking students
4 above the costs of instruction of pupils in a regular
5 curriculum, students identified as non-English-speaking are
6 assigned an additional weighting of two-tenths and that
7 weighting shall be included in the weighted enrollment of the
8 school district of residence.

9 Sec. 45. NEW SECTION. 280.13A SHARING INTERSCHOLASTIC
10 ACTIVITIES.

11 If a school district does not provide an interscholastic
12 activity for its students, the board of directors of that
13 school district may complete an agreement with another school
14 district to provide for the eligibility of its students in
15 interscholastic activities provided by that other school dis-
16 trict. A copy of each agreement completed under this section
17 shall be filed with the appropriate organization as organi-
18 zation is defined in section 280.13 not later than April 30 of
19 the school year preceding the school year in which the agree-
20 ment takes effect, unless an exception is granted by the
21 organization for good cause. An agreement completed under
22 this section shall be deemed approved unless denied by the
23 governing organization within ten days after its receipt. A
24 governing organization shall determine whether an agreement
25 would substantially prejudice the interscholastic activities
26 of other schools. An agreement denied by a governing board
27 under this section may be appealed to the state board of
28 education under chapter 290.

29 For the purpose of this section, substantial prejudice
30 includes, but is not limited to, situations where shared
31 interscholastic activities may result in an unfair domination
32 of an interscholastic activity or substantial disruption of
33 activity classifications and management.

34 It is not necessary that school districts that are parties
35 to an agreement under this section must be engaged in sharing

1 academic programming and receiving supplementary weighting
2 under section 442.39.

3 Sec. 46. Section 280.15, Code 1987, is amended to read as
4 follows:

5 280.15 JOINT EMPLOYMENT AND SHARING.

6 Two or more public school districts may jointly employ and
7 share the services of any school personnel, or acquire and
8 share the use of classrooms, laboratories, equipment and
9 facilities. Classes made available to students in the manner
10 provided in this section shall be considered as complying with
11 the requirements of section 275.1 relating to the maintenance
12 of kindergarten and twelve grades by a school district. If
13 students attend classes in another school district under this
14 section under an agreement that provides for whole grade
15 sharing, the boards of directors of districts entering into
16 these agreements shall provide for sharing the costs and
17 expenses as provided in sections 282.10 through 282.12.

18 Sec. 47. Section 280.16, Code 1987, is amended by striking
19 the section and inserting the following:

20 280.16 OPEN ENROLLMENT.

21 For the school year commencing July 1, 1988 and each
22 succeeding school year, a parent or guardian residing in a
23 school district for which the accreditation process under
24 section 256.11 has not been completed and in which the high
25 school offers fewer than forty-one academic curriculum units
26 either on its own or under a sharing agreement that does not
27 meet the criteria for section 282.11 may enroll the parent's
28 or guardian's child in a public school in a contiguous school
29 district in the manner provided in this section if the
30 conditions specified in this section exist.

31 Not later than February 1 of the preceding school year, the
32 parent or guardian shall send notification to the district of
33 residence and to the department of education on forms
34 prescribed by the department of education that the parent or
35 guardian intends to enroll the parent's or guardian's child in

1 a public school in a contiguous school district because the
2 academic curriculum of the contiguous school district provides
3 substantial educational opportunities for a pupil that are not
4 available to that pupil in the district of residence.

5 The department of education shall verify that the
6 notification of the parent or guardian is accurate with regard
7 to the number of academic curriculum units offered by a school
8 district.

9 The board of the district of residence shall transmit a
10 copy of the form to the contiguous school district within five
11 days after its receipt. The board of the contiguous school
12 district shall enroll the pupil in a school in the contiguous
13 district for the following school year unless the contiguous
14 district does not have classroom space for the pupil.

15 A request under this section is for a period not less than
16 four years unless the pupil will graduate within the four-year
17 period, except that the four-year requirement may be waived
18 upon the mutual assent of the parent or guardian, the board of
19 the district of residence, and the board of the contiguous
20 school district, and the student may enroll in school in the
21 district of residence.

22 The board of directors of the district of residence shall
23 approve or disapprove the request within thirty days of its
24 receipt. The parent or guardian may appeal the decision of
25 the board under chapter 290. If the parent or guardian
26 appeals to the state board of education, the board of the
27 district of residence must prove to the state board that the
28 conditions listed in the request do not exist and the request
29 of the parent or guardian is not valid.

30 The board of directors of the district of residence shall
31 pay to the contiguous school district the lower district cost
32 per pupil of the two districts for that school year.
33 Quarterly payments shall be made to the contiguous district.
34 Notwithstanding section 285.1 relating to transportation of
35 nonresident pupils, the parent or guardian is responsible for

1 transporting the student without reimbursement to and from a
2 point on a regular school bus route of the contiguous
3 district.

*4 A student who attends school in a contiguous school
5 district is not eligible to participate in interscholastic
6 athletic contests and athletic competitions during the first
7 year of enrollment under this section except for an
8 interscholastic sport in which the district of residence and
9 the contiguous school district jointly participate.

10 Sec. 48. NEW SECTION. 280.18 STUDENT ACHIEVEMENT GOALS.

11 The board of directors of each school district shall adopt
12 goals to improve student achievement and performance. Student
13 achievement and performance can be measured by measuring the
14 improvement of students' skills in reading, writing, speaking,
15 listening, mathematics, reasoning, studying, and technological
16 literacy.

17 In order to achieve the goal of improving student
18 achievement and performance on a statewide basis, the board of
19 directors of each school district shall adopt goals that will
20 improve student achievement at each grade level in the skills
21 listed in this section and other skills deemed important by
22 the board. Not later than July 1, 1989, the board of each
23 district shall transmit to the department of education its
24 plans for achieving the goals it has adopted and the periodic
25 assessment that will be used to determine whether its goals
26 have been achieved. The board shall appoint a committee
27 composed of teachers representing each grade level affected
28 and school administrators to advise it concerning the
29 development of goals, the assessment process to be used, and
30 the measurements to be used.

31 The periodic assessment used by a school district to
32 determine whether its student achievement goals have been met
33 shall use various measures for determination, of which
34 standardized tests may be one. The board shall ensure that
35 the achievement of goals for a grade level has been assessed

1 at least once during every four-year period.

2 The board shall file assessment reports with the department
3 of education and shall make copies of these reports available
4 to the residents of the school district.

* 5 Sec. 49. Section 280A.25, Code 1987, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. 11. Adopt rules prohibiting an area
8 school that does not provide intercollegiate athletics as a
9 part of its program on July 1, 1987 from adding
10 intercollegiate athletics to its program after that date.

11 Sec. 50. Section 280A.25, Code 1987, is amended by adding
12 the following new subsection:

13 NEW SUBSECTION. 12. Ensure that area schools that provide
14 intercollegiate athletics as a part of their program comply
15 with section 601A.9.

16 Sec. 51. NEW SECTION. 280A.44 ADMINISTRATION.

17 Beginning July 1, 1988, the board of directors of a merged
18 area school and the board of directors of the area education
19 agency encompassing primarily the same area may vote, by a
20 majority of both boards, to combine the administrative units
21 of both boards into one administrative unit. All statutes
22 relating to the functions of and funding of the merged area
23 school and the area education agency shall be applicable. If
24 the boards of directors approve the action, the question shall
25 be submitted to the electors of the area at a special election
26 in the manner specified in section 280A.39.

27 Sec. 52. Section 282.7, subsection 1, Code 1987, is
28 amended to read as follows:

29 1. The board of directors of a school district by record
30 action may discontinue any or all of grades seven through
31 twelve and negotiate an agreement for attendance of the pupils
32 enrolled in those grades in the schools of one or more
33 contiguous school districts having accredited school systems.
34 If the board designates more than one contiguous district for
35 attendance of its pupils, the board shall draw boundary lines

1 within the school district for determining the school
2 districts of attendance of the pupils. The portion of a
3 district so designated shall be contiguous to the accredited
4 school district designated for attendance. Only entire grades
5 may be discontinued under this subsection and if a grade is
6 discontinued, all higher grades in that district shall also be
7 discontinued. A school district that has discontinued one or
8 more grades under this subsection has complied with the
9 requirements of section 275.1 relating to the maintenance of
10 kindergarten and twelve grades. A pupil who graduates from
11 another school district under this subsection shall receive a
12 diploma from the receiving district. Tuition-shall-be-paid-by
13 the-resident-district-as-provided-in-section-282-247
14 subsection-2. The boards of directors entering into an
15 agreement under this section shall provide for sharing the
16 costs and expenses as provided in sections 282.10 through
17 282.12. The agreement shall provide for transportation and
18 authority and liability of the affected boards.

19 Sec. 53. NEW SECTION. 282.10 WHOLE GRADE SHARING.

20 1. Whole grade sharing is a procedure used by school
21 districts whereby all or a substantial portion of the pupils
22 in any grade in two or more school districts share an
23 educational program for all or a substantial portion of a
24 school day under a written agreement pursuant to section
25 256.13, 280.15, or 282.7, subsection 1. Whole grade sharing
26 may either be one-way or two-way sharing.

27 2. One-way whole grade sharing occurs when a school
28 district sends pupils to one or more other school districts
29 for instruction and does not receive a substantial number of
30 pupils from those districts in return.

31 3. Two-way whole grade sharing occurs when a school
32 district sends pupils to one or more other school districts
33 for instruction and receives a substantial number of pupils
34 from those school districts in return.

35 Sec. 54. NEW SECTION. 282.11 PROCEDURE.

1 Not less than thirty days prior to signing a whole grade
2 sharing agreement whereby all or a substantial portion of the
3 pupils in a grade in the district will attend school in
4 another district, the board of directors of each school
5 district that is a party to the sharing agreement shall adopt
6 a resolution outlining the details of the whole grade sharing
7 agreement and specifying the boundary lines within the school
8 district for determining the school districts of attendance of
9 the pupils. The board shall publish the resolution in a
10 newspaper in general circulation within the school district as
11 soon as possible following the adoption of the resolution.
12 Within the thirty-day period prior to the signing of the
13 agreement, the parent or guardian of an affected pupil may
14 appeal the sending of that pupil to the school district
15 specified in the agreement, to the state board of education.
16 A parent or guardian may appeal on the basis that sending the
17 pupil to school in the district specified in the agreement
18 will not meet the educational program needs of the pupil, or
19 the school in the school district to which the pupil will be
20 sent is not appropriate because consideration was not given to
21 geographical factors. If the parent or guardian appeals, the
22 standard of review of the appeal is clear and convincing
23 evidence that the parent or guardian's hardship outweighs the
24 benefits and integrity of the sharing agreement. The decision
25 of the state board is binding on the boards of directors of
26 the school districts affected, except that the decision of the
27 state board may be appealed by either party to the district
28 court.

29 A parent or guardian residing in a school district in which
30 all or a substantial portion of the pupils in a grade in the
31 district are being transported to a contiguous school district
32 under a written agreement may appeal the sending of the parent
33 or guardian's child to school in the contiguous school
34 district to the state board of education in the manner
35 provided in this section. The appeal must be made in writing

1 not later than February 1 of the preceding school year. For
2 the school year beginning July 1, 1987, the parent or guardian
3 shall appeal by June 1, 1987.

4 Sec. 55. NEW SECTION. 282.12 FUNDING.

5 1. An agreement for whole grade sharing shall establish a
6 method for determination of costs, if any, associated with the
7 sharing agreement.

8 2. For one-way sharing, the sending district shall pay the
9 district cost per pupil of the sending district minus the
10 transportation costs incurred by the sending district in
11 transporting the pupil.

12 3. For two-way sharing, the costs shall be determined by
13 mutual agreement of the boards.

14 4. The number of pupils participating in a whole grade
15 sharing agreement shall be determined on the third Friday of
16 September and third Friday of February of each year.

17 Sec. 56. Section 282.24, subsection 2, Code 1987, is
18 amended to read as follows:

19 2. ~~The tuition fee charged by the board of directors for~~
20 ~~pupils attending school in the district under section 282.77~~
21 ~~subsection 17 shall not exceed the actual cost of providing~~
22 ~~the educational program for either the high school or the~~
23 ~~junior high school in that district and shall not be less than~~
24 ~~the maximum tuition rate in that district.~~ For the purpose of
25 this section, high school means a school which commences with
26 either grade nine or grade ten as determined by the board of
27 directors of the district, and junior high school means the
28 remaining grades commencing with grade seven.

29 Sec. 57. Section 442.4, Code 1987, is amended by adding
30 the following new unnumbered paragraph after the fourth
31 unnumbered paragraph:

32 NEW UNNUMBERED PARAGRAPH. An eleventh or twelfth grade
33 pupil who is no longer a resident of a school district, but
34 who was a resident of the district during the preceding school
35 year may enroll in the district and shall be included in the

1 basic enrollment of the district until the pupil graduates.
2 Tuition for that pupil shall not be charged by the district in
3 which the pupil is enrolled.

4 Sec. 58. Section 442.4, subsection 3, unnumbered paragraph
5 1 and paragraph a, Code 1987, are amended to read as follows:

6 For the school year beginning July 1, ~~1988~~ 1989, and each
7 subsequent school year, budget enrollment means the sum of the
8 following:

9 a. Twenty-five ~~Twenty~~ percent of the basic enrollment for
10 the school year beginning July 1, 1979. However, if the basic
11 enrollment of a school district for a budget year is more than
12 fifteen percent higher than the basic enrollment of the
13 district for the base year, the school district's basic
14 enrollment for the budget year shall be used thereafter for
15 the calculation required under this paragraph in lieu of using
16 the basic enrollment for the school year beginning July 1,
17 1979.

18 Sec. 59. Section 442.4, subsection 5, Code 1987, is
19 amended to read as follows:

20 5. For the school year beginning July 1, ~~1984~~ 1988 and
21 each succeeding school year, if an amount equal to the
22 district cost per pupil for the budget year minus the amount
23 included in the district cost per pupil for the budget year to
24 compensate for the cost of special education support services
25 for a school district for the budget year times the budget
26 enrollment of the school district for the budget year is less
27 than one hundred ~~two~~ one and one-half percent times an amount
28 equal to the district cost per pupil for the base year minus
29 the amount included in the district cost per pupil for the
30 base year to compensate for the cost of special education
31 support services for a school district for the base year times
32 the budget enrollment for the school district for the base
33 year, the department of management shall increase the budget
34 enrollment for the school district for the budget year to a
35 number which will provide that one hundred two one and one-

1 half percent amount. For the school year beginning July 1,
2 1989 and each succeeding school year, the budget guarantee
3 provided in this subsection for school districts is one
4 hundred one percent.

5 Sec. 60. Section 442.4, subsection 6, unnumbered paragraph
6 1, Code 1987, is amended to read as follows:

7 For the school year beginning July 1, 1980, and each
8 subsequent school year, weighted enrollment is the budget
9 enrollment as modified by application of the special education
10 weighting plan in section 281.9, the non-English-speaking
11 weighting plan in section 280.4, and the supplementary
12 weighting plan in this chapter.

13 Sec. 61. NEW SECTION. 442.4A BUDGET REDUCTION AMOUNT.

14 For each of the budget years beginning July 1, 1988, July 1,
15 1989, and July 1, 1990, the department of management shall add
16 together the district cost for the budget year minus the
17 amount included in district cost for special education support
18 services for the budget year of each school district in the
19 state and divide that total by the basic enrollment in the
20 state for the budget year to determine a state average cost
21 per pupil for the budget year. In addition, the department of
22 management shall calculate an average cost per pupil for that
23 budget year for each school district by dividing the total of
24 each district's district cost for that budget year minus the
25 amount included in district cost for special education support
26 services for that budget year by the district's basic
27 enrollment for the budget year. For each school district in
28 which the average cost per pupil for the budget year is more
29 than one hundred-twenty percent of the state average cost per
30 pupil for the budget year, the department of management shall
31 determine a budget reduction amount. For the budget year
32 beginning July 1, 1988, the budget reduction amount is thirty-
33 three and one-third percent of the difference between one
34 hundred twenty percent of the state average cost per pupil and
35 the average cost per pupil in the district for the budget year

1 multiplied by the basic enrollment of the district for that
2 budget year. For the budget year beginning July 1, 1989, the
3 budget reduction amount for a district is sixty-six and two-
4 thirds percent of the difference between one hundred twenty
5 percent of the state average cost per pupil and the average
6 cost per pupil in the district for the budget year multiplied
7 by the basic enrollment for the district for that budget year.
8 For the budget year beginning July 1, 1990, the budget
9 reduction amount is the difference between one hundred twenty
10 percent of the state average cost per pupil and the average
11 cost per pupil in the district for the budget year multiplied
12 by the basic enrollment of the district for that budget year.

13 Notwithstanding the budget enrollment calculation in
14 section 442.4, for each of the budget years under this
15 section, the department of management shall decrease the
16 number of pupils added to enrollment under section 442.4,
17 subsection 5, to provide a reduction equal to the budget
18 reduction amount. If the number of pupils added to enrollment
19 under section 442.4, subsection 5, provides for a reduction
20 that is less than the budget reduction amount, the department
21 of management shall decrease the number of pupils in section
22 442.4, subsection 3, paragraph "a", to provide a total
23 reduction equal to the budget reduction amount.

24 A school district that has a reduction in district cost for
25 a budget year minus the amount included in district cost for
26 special education support services for that budget year under
27 this section may use additional allowable growth under section
28 442.7 to raise an amount equal to the reduction.

29 Sec. 62. Section 453.16, subsection 1, unnumbered
30 paragraph 1, Code 1987, is amended to read as follows:

31 Before a deposit of public funds is made by a public
32 officer with a depository institution in excess of the amount
33 insured by federal deposit insurance or federal savings and
34 loan insurance, and-before-the-investment-of-public-funds-in
35 investments-authorized-in-section-452.10-which-either-are-not

1 obligations-of-or-guaranteed-by-the-United-States-government
2 or-any-of-its-agencies,-are-in-excess-of-the-amount-insured-by
3 federal-deposit-insurance-or-federal-savings-and-loan
4 insurance,-or-are-investments-by-the-treasurer-of-state
5 specifically-authorized-by-section-452-10-to-be-made-as
6 additional-investments-under-section-97B.7,-subsection-2,
7 paragraph-"b", the public officer shall obtain security for
8 the deposit or investment by one or more of the following:

9 Sec. 63. Iowa Acts, 1986 Session, chapter 1245, section
10 1499B, is repealed.

11 Sec. 64. Sections 1 through 21, 26, 46, 52 through 55 of
12 this Act, being deemed of immediate importance, takes effect
13 upon their enactment. Sections 26, 46, 52 through 55 of this
14 Act do not apply to sharing agreements signed before the
15 effective date of those sections. Section 47 of this Act
16 takes effect July 1, 1988.

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STATE OF IOWA

FISCAL NOTE TOLSB No. 2514H.6Staff ID. TLJ

REQ. BY SENATOR MURPHY

HOUSE FILE 499

In compliance with a written request received March 26, 1987, a fiscal note for House File 499 AS PASSED BY THE HOUSE is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 499 as passed by the House establishes an educational excellence program which makes provisions for salary improvements for K-12 nonadministrative certificated staff. The proposal also makes changes in the school foundation formula related to budget enrollment calculations. It also makes provisions relating to enrollment options, accreditation review, sharing agreements, boundary line changes of area education agencies (AEAs) and merged areas, additional weighting for non-English-speaking students, and publication requirements of school districts.

Section I relates to the establishment of an educational excellence program in three phases, beginning with the 1987-88 school year. Phase I increases minimum teacher salaries to \$18,000 per year. Funding is used to bring salaries up to the minimum and to pay the employer's share of the cost of benefits.

The amount needed to bring salaries up to the minimum in the 1987-88 school year is the amount of the minimum salary supplement for the 1988-89 school year. For the 1989-90 school year, the amount is reduced by one-third. For the 1990-91 school year, the amount is reduced by an additional one-third, and for the 1991-92 school year the minimum salary supplement is phased out entirely. The amounts reduced from phase I are to be allocated under phase II. A school district may levy a property tax to make up the amount of the phase I reduction.

Phase II provides additional funds to school districts and area education agencies (AEAs) to increase other teacher salaries. For the 1987-88 and 1988-89 school years, the monies are allocated to school districts based on their 1986 certified enrollments, and to AEAs based on their 1986 enrollments served. Every year thereafter, the allocation is based on the basic enrollment and enrollment served for that school year. School districts are allocated \$75.93 per pupil and AEAs are allocated \$3.55 per pupil served.

Phase III provides funds to school districts and AEAs for performance-based and/or supplemental pay plans. The moneys are allocated to the school districts and AEAs in a manner similar to the allocation of phase II funds. School districts are allocated \$98.63 per pupil, and AEAs are allocated \$4.60 per pupil served. A school district or AEA must submit plans to the department of education and receive approval in order to implement a plan based on phase III funds.

If the funds appropriated for phase I are either insufficient or exceed the actual payments made for phase I, phase III will be adjusted accordingly so that phase I is fully funded. The per pupil amounts set forth for phases II and III are to be adjusted based on the amounts actually appropriated for those phases.

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Assumptions:

1. Teacher salaries will increase five percent per year from 1986-87.
2. The number of teachers and their relative placement on the salary schedule will not depart significantly from 1986-87.
3. The September 1986 certified headcount is 482,208.
4. The 1986 enrollment served by the AEAs is 530,375.

Fiscal Effect:

The estimated cost to the state of phase I for the 1987-88 and 1988-89 school year is \$9.5 million per year. Assuming that the per pupil amounts proposed are not adjusted, phases II and III would require the following amounts for each of school years 1987-88 and 1988-89:

<u>Phase II</u>	
School districts	\$ 36,614,053
AEAs	<u>1,882,831</u>
Total	<u>\$ 38,496,884</u>
<u>Phase III</u>	
School districts	\$ 47,560,175
AEAs	<u>2,439,725</u>
Total	<u>\$ 49,999,900</u>

Section 2 makes provisions for salary improvements for certificated staff employed by the Iowa Braille and Sightsaving School and by the Iowa School for the Deaf. Minimum salary supplements are provided in a manner similar to those provided for school districts and AEAs. Allocations under phase II are also made to the two schools based on the enrollments at the schools.

Assumptions:

1. Assumptions #1 and #2 of section 1.
2. Allocations for phase II will be based on the \$75.93 received by school districts.
3. Allocations for phase II will be based on the 1986 enrollments of the schools for the 1987-88 and 1988-89 school years.
4. The 1986 enrollment at both schools combined is 199.

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Fiscal Effect:

The estimated cost to the state of phase I for the 1987-88 and 1988-89 school years is \$27,100 per year for both schools. Assuming that the per pupil amounts proposed are not adjusted, the allocation under phase II to the two schools would be \$18,100.

Section 3 changes the methods of calculating a school district's budget enrollment, beginning with the 1988-89 school year. Under current law, the September 1978 certified enrollment count is used to calculate 25 percent of the budget enrollment, and the larger of the basic enrollment or the prior year's basic enrollment is used to calculate 75 percent of the budget enrollment. A school district is also guaranteed 102 percent of its previous year's regular program cost.

The proposal reduces the budget guarantee to 101.5 percent for the 1988-89 school year, and to 101 percent for every year thereafter. If the average per pupil district cost, calculated in certified enrollment, is greater than 120 percent of the state average per pupil district cost, in certified enrollment, the school district must reduce its budget by one-third of that difference. The budget reduction is accomplished by reducing the budget enrollment by an amount sufficient to reduce the budget by the aforementioned amount. Beginning with the 1989-90 school year, the percentage of the 1978 certified enrollment used to the budget enrollment is changed from 25 percent to 20 percent.

Assumptions:

1. Total taxable valuations for 1985 were \$74.34 billion and will increase 1.5 percent per year through 1987.
2. The September 1986 certified enrollment was 482,208 and will decline one percent each year thereafter.
3. The allowable growth rate for the 1987-88 school year is 3.469 percent and will be 2.0 percent for the 1988-89 school year.
4. The December 1986 special education weighting was 37,867 and will remain constant through the 1988-89 school year.
5. The September 1986 supplemental weighting was 1,409 and will remain constant through the 1988-89 school year.

Fiscal Effect:

	Fiscal Year 1988 (in millions)			Fiscal Year 1989 (in millions)		
	Current Law	Proposed Law	Increase (Decrease)	Current Law	Proposed Law	Increase (Decrease)
<u>EXPENDITURES</u>						
State Aid	\$ 808.0	\$ 808.0	\$ 0	\$ 841.5	\$ 837.1	\$ (4.4)
Prop. Taxes	746.0	746.0	0	743.5	742.8	(0.7)
TOTAL	\$ 1554.0	\$ 1554.0	\$ 0	\$ 1585.0	\$ 1579.9	\$ (5.1)

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Section 4 would allow eleventh and twelfth grade students to enroll in courses at postsecondary institutions and receive both high school and college credit for the courses. The school district must provide a tuition reimbursement to the postsecondary institution equal to the actual cost of the course or \$200, whichever is less. The parent or guardian of the student enrolled under the proposal is also eligible for transportation reimbursement.

Assumptions:

1. During the first year, four percent of the total 36,222, or 1,449 twelfth graders will enroll in courses.
2. During the first year, two percent of the total 37,707, or 754 eleventh graders will enroll in courses.
3. Since the proposal is intended to promote "rigorous academic pursuits", the program would not include exploratory career or vocational coursework.
4. Each student would take an average of 1.5 courses, for a total of 3,305 courses.
5. Given the geographic accessibility to the three postsecondary sectors of education, students would enroll in 1,322 courses at independent colleges, 611 courses at regents' institutions, and 1,322 courses at merged area schools.
6. The average cost of tuition (this does not include textbooks, materials and fees) for a three semester hour course would be \$618.00 at an independent college, \$174.00 at a regents' institution, and \$112.50 at a merged area school.

Fiscal Effect:

Based on the tuition estimates alone, the total cost of tuition would be \$816,996, \$115,014 and \$148,725, respectively, for the courses taken at the independent, regents' and merged area schools. Since the maximum tuition reimbursement is \$200 per course, the independent colleges would be reimbursed for \$264,400, or 32.4 percent of the cost. It is not possible to estimate the cost of textbooks, materials and fees, nor is it possible to estimate the cost of the transportation reimbursement.

Section 5 changes publication requirements of school districts and the maximum fees that may be imposed for publication. Under current law, a school district must publish a financial statement annually if a newspaper is published in the district. If no paper is published, the district must file the statement with the AEA administrator and post copies of the statement in three places. For all districts under 125,000 in population, board proceedings must be published quarterly, and the maximum publication fee is three-fifths of the legal publication fee.

The proposal would require that all districts publish a financial statement annually, whether a paper is published in the district or not. It also

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requires all school districts to publish board proceedings after every board meeting. The maximum fee for the 1987-88 school year remains unchanged. For the 1988-89 school year, the maximum fee is three-fourths of the legal publication fee and beginning with the 1989-90 school year, the maximum fee is the legal fee.

Fiscal Effect:

Since the proposal does not change the mechanism for financing publications, there would be no impact to the general fund of the State nor to property taxes. However, there would be increased costs to school districts. Under current law, many school boards are required only to post their reports. Since the proposal would require these districts to publish their reports as well, there would be a considerable increase in costs for the effected districts.

Further, all school boards would now be required to publish board proceedings after every board meeting. For the 1987-88 school year, the publication fee would remain at 16 cents for each 2-inch line, or \$2.24 per inch. For the 1988-89 school year the fee would increase to 19.5 cents per line, or \$2.73 per inch. For the 1989-90 school year, the fee would be increased to 26 cents per line or \$3.64 per inch. Expanding the publication requirements, coupled with increasing fees for publication would result in many school districts' expenditures for publications tripling at a minimum.

Section 6 makes changes in the process with which school districts are accredited. Under current law, a school district is mandated to submit evidence that they have met accreditation standards to the state board of education. A five-member accreditation committee is appointed by the state board to review the school districts' accreditation report, visit the school district and make a recommendation to the commissioner of education. If a school district does not meet accreditation standards, a corrective plan is developed and reviewed by the committee. One-fifth of the school districts and nonpublic schools are to be reviewed for accreditation each year. All school districts must be accredited by 1989 or be reorganized by the state board of education.

The proposal changes the proportion of school districts and nonpublic schools that must be reviewed each year from one-fifth to one-third. It also prioritizes the review process based on complaints made against school districts.

Assumptions:

1. Currently, there are eight to ten on-site visits to school districts conducted each year by five regional consultants. In order to fulfill the requirements for the accreditation process, one department of education staff member and five committee members would have to approve one-third of all public school districts and nonpublic schools each year with an on-site visit. This would require fifteen teams working 28 weeks to make 222 visits per year.
2. Twenty re-visits to school districts would have to be conducted each year.

3. In order to accommodate the increased on-site visits and re-visits, ten additional full-time staff persons would be needed to supervise and conduct site visits.
4. Reimbursement for travel expenses to committee members would be at the standard state reimbursement rate.
5. Per diem stipends would be paid to the committee members at a rate of \$75 per person per day for each of the three days for the on-site visits and for the re-visits.
6. There would be no increase in salaries and committee expenses from the fiscal year beginning July 1, 1986.

Fiscal Effect:

<u>EXPENDITURES</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>
Salaries	\$ 813,000	\$ 813,000
Support	91,000	91,000
Committee Expenses	<u>501,000</u>	<u>501,000</u>
TOTAL	<u>\$ 1,405,000</u>	<u>\$ 1,405,000</u>

Section 7 allows school districts to assign an additional weighting of .2 per each student identified as non-English-speaking. The additional weighting is added to the school district's weighted enrollment beginning with the 1988-89 school year.

Assumptions:

1. There are approximately 3,350 pupils enrolled in public schools this year who have been identified as non-English-speaking. There will be an estimated additional 100-200 students identified as non-English-speaking in 1987.
2. At an allowable growth rate of approximately 2.0 percent, foundation support for the 1988-89 school year will be \$2.262 per pupil.

Fiscal Effect:

The proposal would increase state aid as follows:

(dollars in thousands)

	<u>Fiscal Year 1988</u>			<u>Fiscal Year 1989</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Increase (Decrease)</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Increase (Decrease)</u>
<u>EXPENDITURES</u>						
State Aid	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,606	\$ 1,606
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,606	\$ 1,606

Sources: Department of Education
 Department of Management
 Iowa Association of School Boards
 Iowa State Education Association

(LSB 2514H.6, TLJ)

Cennis Prouty
 Fiscal Director

Legislative Fiscal Bureau

Date: 4/7/87

HOUSE FILE 499

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S-3493

1 Amend House File 499 as amended, passed and
2 reprinted by the House, as follows:

3 1. Page 2, line 1, by striking the words and
4 figure "and July 1, 1988" and inserting the following:
5 ", July 1, 1988, and July 1, 1989".

6 2. Page 2, line 7, by striking the words and
7 figure "and July 1, 1988" and inserting the following:
8 ", July 1, 1988, and July 1, 1989".

9 3. Page 3, line 27, by inserting after the word
10 "education" the following: "by the third Friday in
11 September".

12 4. Page 3, line 30, by inserting after the word
13 "year" the following: "for that year".

14 5. Page 4, line 7, by striking the word "For" and
15 inserting the following: "If moneys are appropriated
16 for phase I for".

17 6. By striking page 4, line 10 through page 5,
18 line 6, and inserting the following: "each school
19 district and area education agency under phase I and
20 the department of revenue and finance shall make the
21 payments. For succeeding school years, the amount of
22 the total minimum salary supplement shall be equal to
23 the amount paid for the school year beginning July 1,
24 1987 and it shall be used to increase teacher
25 salaries.

26 If the moneys appropriated for phase I are
27 insufficient for a school year, moneys shall be
28 transferred from moneys appropriated for phase III.
29 If the moneys remain after payments are made for a
30 fiscal year, the moneys shall be added to the moneys
31 appropriated for phase II."

32 7. Page 5, by striking lines 7 through 14.

33 8. Page 5, lines 23 and 24, by striking the words
34 and figure "and July 1, 1988" and inserting the
35 following: ", July 1, 1988, and July 1, 1989".

36 9. Page 6, lines 3 and 4, by striking the words
37 and figure "and July 1, 1988" and inserting the
38 following: ", July 1, 1988, and July 1, 1989".

39 10. Page 8, line 27, by striking the words "and
40 to promote student achievement".

41 11. Page 8, by inserting after line 31 the
42 following:

43 "It is the intent of the general assembly that
44 school districts and area education agencies
45 incorporate into their planning for performance-based
46 pay plans and supplemental pay plans, implementation
47 of recommendations from recently issued national and
48 state reports relating to the requirements of the
49 educational system for meeting future educational
50 needs, especially as they relate to the preparation,

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1 working conditions, and responsibilities of teachers,
2 including but not limited to assistance to new
3 teachers, development of teachers as instructional
4 leaders in their schools and school districts, using
5 teachers for evaluation and diagnosis of other
6 teachers' techniques, and the implementation of
7 sabbatical leaves.

8 It is the intent of the general assembly that as
9 more stringent or additional teaching certification
10 standards or other educational requirements affecting
11 teacher compensation are mandated in response to
12 recommendations made in various national and state
13 reports relating to education and teaching in the
14 nation and in this state, the cost of meeting these
15 requirements shall be borne by the districts and area
16 education agencies themselves and state financial
17 assistance will be provided only pursuant to an
18 approved phase III plan. Renewal of school districts'
19 and area education agencies' initial allocations of
20 phase III moneys may be affected in subsequent years
21 by implementation of increased or additional
22 standards."

23 12. Page 8, line 33, by striking the word "For"
24 and inserting the following: "If moneys are
25 appropriated by the general assembly for phase III
26 for".

27 13. Page 9, by striking lines 3 through 13 and
28 inserting the following: "combination of the two."

29 14. Page 9, by striking lines 15 through 17 and
30 inserting the following: "Annually, the payments for
31 an approved plan for".

32 15. Page 9, by striking lines 20 through 22, and
33 inserting the following: "cents if the general
34 assembly has appropriated fifty million dollars for
35 school districts and area education agencies for phase
36 III for those fiscal years. Annually, the payments
37 for an approved plan for".

38 16. Page 9, by striking lines 25 through 30 and
39 inserting the following: "sixty cents if the general
40 assembly has appropriated fifty million dollars for
41 school districts and area education agencies for phase
42 III for those fiscal years. If the general assembly
43 has appropriated a different amount for a fiscal year
44 for phase III, the department of education shall
45 adjust the amount for each student enrolled
46 accordingly. In addition, the department of education
47 shall adjust the amount for each student enrolled to
48 correspond to changes in certified enrollment and
49 enrollment served."

50 17. Page 10, line 17, by inserting after the word

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"district" the following: ", except that phase III moneys may be used to employ substitute teachers, part-time teachers, and other employees needed to implement plans that provide innovative staffing patterns or that require that a teacher employed on a full-time basis be absent from the classroom for specified periods for fulfilling other instructional duties".

18. Page 12, line 31, by striking the words "parents, students,".

19. Page 12, line 33, by inserting after the word "proposal" the following: "for distribution of phase III moneys to be submitted to the board of directors".

20. Page 13, by striking lines 8 and 9 and inserting the following: "area education agency for consideration by the board in developing a plan. For the school year beginning July".

21. Page 14, line 7, by inserting after the word "agency" the following: "for the school year beginning July 1, 1987".

22. Page 14, line 7, by inserting after the word "an" the following: "approved phase III plan that are not expended for that school year shall not revert to the general fund of the state but may be expended by that school district during the school year beginning July 1, 1988. For school years thereafter, moneys allocated to a school district or area education agency for an".

23. Page 14, line 33, by inserting after the word "finance" the following: "on a quarterly basis and may be made".

24. Page 14, line 34, by inserting after the figure "442.26." the following: "For the school year beginning July 1, 1987, the first quarterly payment shall be made not later than October 15, 1987 taking into consideration the relative budget and cash position of the state resources."

25. Page 15, by striking lines 10 through 17.

26. Page 15, by inserting after line 19 the following:

"Sec. _____. Section 20.16, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Upon mutual agreement of all parties affected, the public employers who are boards of directors of school districts and their corresponding certified teacher employee organizations within the boundaries of an area education agency, or portion of an area education agency, may engage in collective bargaining to negotiate a single proposed collective bargaining agreement for the area.

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1 Sec. ____ . NEW SECTION. 20.22A NEGOTIATIONS FOR
2 SCHOOL DISTRICTS.

3 Notwithstanding the deadline dates prescribed in
4 section 20.17, and sections 20.19 through 20.22, the
5 negotiations for a proposed collective bargaining
6 agreement between the representatives of a school
7 district and a certified teacher employee organization
8 may occur after the March 15 certified budget
9 submission date if the parties comply with this
10 section. Not later than October 1 of the year
11 preceding the year for which an agreement is being
12 negotiated, the representatives of the school district
13 and a certified teacher employee organization shall
14 jointly submit to the public employment relations
15 board a time line for negotiations that contains
16 proposed deadline dates for impasse procedures,
17 including appointment of a mediator, appointment of a
18 fact-finder, request for arbitration, and the final
19 determination of the panel of arbitrators. The
20 deadline for the final determination of the panel of
21 arbitrators shall not be later than August 15 and the
22 determination must be effective retroactive to July 1.

23 The public employment relations board shall approve
24 or disapprove the request by November 1 of the year
25 preceding the year for which the agreement is being
26 negotiated. If the public employment relations board
27 disapproves the time line submitted by the parties,
28 the time lines specified in section 20.17 and sections
29 20.19 through 20.22 apply."

30 27. Page 15, by inserting after line 19 the
31 following:

32 "Sec. 100. Section 93.20, unnumbered paragraph 2,
33 Code 1987, is amended to read as follows:

34 School districts shall repay the loans from moneys
35 in either their general fund or schoolhouse capital
36 projects fund. Area schools shall repay the loans
37 from their general fund.

38 Sec. 101. Section 96.31, Code 1987, is amended to
39 read as follows:

40 96.31 TAX FOR BENEFITS.

41 Political subdivisions may levy a tax outside their
42 general fund levy limits to pay the cost of
43 unemployment benefits. For school districts the cost
44 of unemployment benefits shall be included in the
45 liability levy pursuant to section 298.4."

46 28. Page 15, by inserting after line 19 the
47 following:

48 "Sec. ____ . Section 256.7, Code 1987, is amended by
49 adding the following new subsection:

50 NEW SUBSECTION. 8. Develop plans for the approval

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of teacher preparation programs that incorporate the results of recently completed research and national studies on teaching for the twenty-first century and develop plans for providing assistance to newly graduated teachers, including options for internships and reduced teaching loads. The plans shall be submitted to the general assembly not later than October 1, 1988."

29. By striking page 15, line 20, through page 16, line 12.

30. By striking page 16, line 13, through page 17, line 30, and inserting the following:

"Sec. ____ . Section 256.11, subsections 10, 11, and 12, Code 1987, are amended by striking the subsections and inserting in lieu thereof the following:

10. The state board shall establish an accreditation process for school districts and nonpublic schools seeking accreditation pursuant to this subsection and subsections 11 and 12. As required in section 256.17, by July 1, 1989, all school districts shall meet standards for accreditation. For the school year commencing July 1, 1989 and school years thereafter, the department of education shall use a two-phase process for the continued accreditation of schools and school districts.

Phase I consists of annual monitoring by the department of education of all accredited schools and school districts for compliance with accreditation standards adopted by the state board of education as provided by section 256.17. The phase I monitoring requires that accredited school districts and schools annually complete accreditation compliance forms adopted by the state board and file them with the department of education. In addition, employees of the department of education shall complete at least one onsite visit each year to each accredited school and school district to review the educational programs and the information included in the compliance forms.

Phase II requires the use of an accreditation committee, appointed by the director of the department of education, to conduct an onsite visit to an accredited school or school district if any of the following conditions exist:

a. When the annual monitoring of phase I indicates that a school or school district may be deficient or fails to be in compliance with accreditation standards.

b. In response to a petition filed with the director requesting such a committee visitation that

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1 is signed by twenty percent or more of the registered
2 voters of a school district.

3 c. In response to a petition filed with the
4 director requesting such a committee visitation that
5 is signed by twenty percent or more of the parents or
6 guardians who have children enrolled in the school or
7 school district.

8 d. At the direction of the state board of
9 education.

10 The number and composition of the membership of an
11 accreditation committee shall be determined by the
12 director and may vary due to the specific nature or
13 reason for the visit. In all situations, however, the
14 chairperson and a majority of the committee membership
15 shall be from the instructional and administrative
16 program specialty staff of the department of
17 education. Other members may include instructional
18 and administrative staff from school districts, area
19 education agencies, institutions of higher education,
20 local board members and the general public. An
21 accreditation committee visit to a nonpublic school
22 requires membership on the committee from nonpublic
23 school instructional or administrative staff or board
24 members. A member of a committee shall not have a
25 direct interest in the nonpublic school or school
26 district being visited.

27 Rules adopted by the state board may include
28 provisions for coordination of the accreditation
29 process under this section with activities of
30 accreditation associations.

31 Prior to a visit to a school district or nonpublic
32 school, members of the accreditation committee shall
33 have access to all annual accreditation report
34 information filed with the department by that
35 nonpublic school or school district.

36 After visiting the school district or nonpublic
37 school, the accreditation committee shall determine
38 whether the accreditation standards have been met and
39 shall make a report to the director, together with a
40 recommendation whether the school district or
41 nonpublic school shall remain accredited. The
42 accreditation committee shall report strengths and
43 weaknesses, if any, for each standard and shall advise
44 the school or school district of available resources
45 and technical assistance to further enhance strengths
46 and improve areas of weakness. A school district or
47 nonpublic school may respond to the accreditation
48 committee's report.

49 11. The director shall review the accreditation
50 committee's report, and the response of the school

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1 district or nonpublic school, and provide a report and
2 recommendation to the state board along with copies of
3 the accreditation committee's report, the response to
4 the report, and other pertinent information. The
5 state board shall determine whether the school
6 district or nonpublic school shall remain accredited.
7 If the state board determines that a school district
8 or nonpublic school should not remain accredited, the
9 director, in cooperation with the board of directors
10 of the school district, or authorities in charge of
11 the nonpublic school, shall establish a plan
12 prescribing the procedures that must be taken to
13 correct deficiencies in meeting the standards, and
14 shall establish a deadline date for completion of the
15 procedures. The plan is subject to approval of the
16 state board.

17 12. During the period of time specified in the
18 plan for its implementation by a school district or
19 nonpublic school, the school or school district
20 remains accredited. The accreditation committee shall
21 revisit the school district or nonpublic school and
22 shall determine whether the deficiencies in the
23 standards have been corrected and shall make a report
24 and recommendation to the director and the state
25 board. The state board shall review the report and
26 recommendation, may request additional information,
27 and shall determine whether the deficiencies have been
28 corrected. If the deficiencies have not been
29 corrected, the state board shall merge the territory
30 of the school district with one or more contiguous
31 school districts. Division of assets and liabilities
32 of the school district shall be as provided in
33 sections 275.29 through 275.31. Until the merger is
34 completed, the school district shall pay tuition for
35 its resident students to an accredited school district
36 under section 282.24."

37 31. Page 18, lines 8 and 9, by striking the words
38 "may shall" and inserting the word "may".

39 32. Page 18, by inserting after line 12 the
40 following:

41 "Sec. ____ . Section 256.17, unnumbered paragraph 5,
42 Code 1987, is amended by striking the unnumbered
43 paragraph."

44 33. Page 18, by inserting after line 12 the
45 following:

46 "Sec. ____ . NEW SECTION. 256.18 MODIFIED BLOCK
47 SCHEDULING.

48 1. The state board of education shall approve
49 pilot projects, not exceeding four per year, for the
purpose of sharing certificated instructional

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1 personnel between two or more districts, when the
2 participating districts plan to utilize a modified
3 block schedule for offering classes in the districts
4 and sharing the certificated instructional personnel
5 because of the modified block schedule. One-half of
6 the approved pilot projects each year shall be
7 projects of school districts with less than twelve
8 hundred combined certified enrollment. The approved
9 pilot projects shall also be as geographically
10 distributed throughout the state as possible.

11 2. The boards of directors of two or more school
12 districts may jointly apply to the state board of
13 education for approval of a pilot project to jointly
14 utilize a modified block schedule. The application
15 shall be received by the state board by June 15, 1987
16 for the school year beginning July 1, 1987, and by the
17 preceding January 1, for succeeding school years. The
18 state board shall review and approve the applications
19 by July 15, 1987 for the school year beginning July 1,
20 1987, and by February 15, for the succeeding school
21 years, and shall notify the school districts of the
22 decision. The state board may request that the
23 proposal be amended and resubmitted within the
24 specified time period, to permit the proposal to
25 comply with the requirements pursuant to subsection 3.

26 3. The application, pursuant to subsection 2,
27 shall include the following:

28 a. Demonstration of a projected minimum of fifteen
29 percent annual combined instructional and support cost
30 savings of the projected costs if the districts would
31 not utilize a modified block schedule, through
32 reduction of employment of certificated instructional
33 and support personnel.

34 b. Demonstration among the grades participating in
35 the project of the following: greater student-
36 certificated instructional personnel ratio, an
37 increased number of course offerings, and an average
38 reduction of course preparations per certificated
39 teacher.

40 c. Demonstration of the acceptance of the modified
41 block schedule by the administration personnel, the
42 majority of each board of directors of each school
43 district participating in the pilot project, and the
44 certificated instructional personnel.

45 d. Transition and implementation plans regarding
46 the in-service plan pursuant to subsection 5 and the
47 changes necessary for a permanent modified block
48 schedule.

49 e. Sabbatical plan for temporarily displaced
50 teachers, which may include, but not be limited to,

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1 in-service, postsecondary enrollment, career
2 advancement, consultant and other teaching positions
3 in another school district.

4 For purposes of this section "instructional and
5 support cost" means the general education costs,
6 including salaries, benefits, contract or purchase
7 services, supplies, capital outlay, miscellaneous
8 expenses, and fund transfers.

9 4. Certificated instructional personnel notified,
10 after approval of the pilot project by the state
11 board, that the person's position has been temporarily
12 displaced for the period of the pilot project, shall
13 continue to be employed by the school district in a
14 sabbatical capacity as mutually determined by the
15 person and the board. If the determination is made
16 that the person may be employed as a teacher in
17 another school district for the period of the pilot
18 project, the person shall receive the amount of the
19 difference between the compensation which would have
20 been received from the school district participating
21 in the pilot project and the compensation received
22 from the school district not participating in the
23 pilot project, from the school district participating
24 in the pilot project. All other terms of the contract
25 with the school district participating in the pilot
26 project shall remain in effect for the school year
27 affected by the pilot project.

28 5. The school districts participating in the
29 approved pilot project shall conduct in-service
30 training for all certificated instructional and
31 noninstructional personnel regarding the modified
32 block scheduling, between the date notified by the
33 state board of education regarding approval of the
34 pilot project and September 1. Personnel shall
35 receive compensation for the training, based on the
36 per diem compensation received under the contract of
37 the employing school district. The in-service
38 training shall not be less than ten days.

39 6. The school district shall submit a quarterly
40 report to the department of education, including but
41 not limited to, test scores, daily attendance rates,
42 and resulting ratio between students and certificated
43 instructional personnel. The state board of education
44 shall provide consultation and information to the
45 school districts with approved pilot projects by
46 providing in-state and out-of-state consultants
47 familiar with modified block scheduling, research, and
48 dissemination of information, and any other manner
49 deemed appropriate. The state board shall encourage
the appropriate school districts to review the concept

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1 of modified block scheduling and to adopt the concept
2 for school years beginning July 1, 1989 and
3 thereafter.

4 7. A school district may conduct a pilot project
5 for only one school year.

6 Sec. ____ . NEW SECTION. 256.19 PILOT PROJECTS.

7 For fiscal years in which moneys are appropriated
8 by the general assembly for the purpose of section
9 256.18 the state board of education shall notify the
10 department of revenue and finance of the amounts
11 necessary for each pilot project in order to reimburse
12 the certificated instructional personnel pursuant to
13 section 256.18, subsection 4, for the in-service
14 training pursuant to section 256.18, subsection 5, and
15 for other costs related to the approved pilot
16 projects."

17 34. Page 18, by inserting after line 12 the fol-
18 lowing:

19 "Sec. ____ . NEW SECTION. 256.20 YEAR AROUND
20 SCHOOLS.

21 Pursuant to section 279.10, subsection 1, relating
22 to the maintenance of school during an entire year,
23 the board of directors of a school district may
24 request approval from the state board of education for
25 a pilot project for a year around three semester
26 school year. The deadlines for approval of a pilot
27 project under this section are the deadlines specified
28 in section 256.18 for approval of a modified block
29 scheduling pilot project.

30 The application shall describe the anticipated
31 additional costs to the school district and the
32 benefits to be gained from the three semester school
33 year. Students would not be required to attend school
34 more than two semesters each school year.

35 Participation in a pilot project shall not modify
36 provisions of a master contract negotiated between a
37 school district and a certified bargaining unit
38 pursuant to chapter 20 unless mutually agreed upon.

39 If moneys are appropriated by the general assembly
40 for funding the costs of pilot projects under this
41 section, the state board of education shall notify the
42 department of revenue and finance of the amounts to be
43 paid to each school district with an approved pilot
44 project."

45 35. Page 18, by inserting after line 12 the fol-
46 lowing:

47 "Sec. ____ . NEW SECTION. 256.21 SABBATICAL
48 PROGRAM.

49 If the general assembly appropriates money for
50 grants to provide sabbaticals for teachers, a

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1 sabbatical program shall be established as provided in
2 this section. For the school years commencing July 1,
3 1988, July 1, 1989, and July 1, 1990, any teacher with
4 at least seven years of teaching experience in this
5 state may submit an application for a sabbatical to
6 the department of education not later than November 1
7 of the preceding school year.

8 A teacher's application shall include a plan for
9 the use of the period of the sabbatical, including,
10 but not limited to, additional education, use of a
11 fellowship, conducting of research, writing relating
12 to a particular subject area, or other activities
13 relating to an enhancement of teaching skills. The
14 teacher's plan must be accompanied by the written
15 approval of the superintendent of the school district
16 and a statement by the superintendent describing the
17 benefits of the sabbatical to the school district.

18 The state board of education shall adopt rules
19 under chapter 17A relating to submission of sabbatical
20 plans and criteria for awarding the sabbaticals,
21 including both the benefit to the teacher and the
22 benefit to the school district. Sabbaticals shall be
23 awarded by the department not later than January 1 of
24 the preceding school year.

25 A sabbatical grant to a teacher shall be equal to
26 the costs to the school district of the teacher's
27 regular compensation as defined in section 294A.2 plus
28 the cost to the district of the fringe benefits of the
29 teacher. The grant shall be paid to the school
30 district, and the district shall continue to pay the
31 teacher's regular compensation as well as the cost to
32 the district of the substitute teacher. Grant moneys
33 are miscellaneous income for purposes of chapter 442.

34 A sabbatical approved by the department may be for
35 any period of time not exceeding one year.

36 Notwithstanding section 8.33, if moneys are
37 appropriated by the general assembly for the
38 sabbatical program for either the fiscal year
39 beginning July 1, 1988 or July 1, 1989, the moneys
40 shall not revert at the end of that fiscal year but
41 shall carry over and may be expended during the next
42 fiscal year."

43 36. Page 18, by inserting after line 12 the
44 following:

45 "Sec. ____ . Section 260.6, Code 1987, is amended to
46 read as follows:

47 260.6 CERTIFICATES REQUIRED.

48 The board of educational examiners shall issue
49 certificates pursuant to sections 256.7, subsection 3,
and 260.2. A person employed as an administrator,

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1 supervisor, school service person, or teacher in the
2 public schools shall hold a certificate valid for the
3 type of position in which the person is employed.
4 Effective July 1, 1990, the board shall only issue an
5 emergency temporary certificate or endorsement to an
6 individual employed by a school district or nonpublic
7 school after the board of that school district or
8 authorities in charge of that nonpublic school certify
9 to the board of educational examiners that the board
10 or authorities attempted to employ a certificated or
11 endorsed individual to fill the teaching vacancy and,
12 if the vacancy is in a school district, the board
13 also attempted to complete a sharing agreement with
14 another school district for providing the classes or
15 courses. An emergency temporary certificate or
16 endorsement is valid for one year after its issuance
17 and shall not be renewed."

18 37. Page 18, by inserting after line 12 the
19 following:

20 "Sec. ____ . NEW SECTION. 260.13 EXAMINATIONS.

21 The board shall conduct examinations of applicants
22 for initial certificates under this chapter. The
23 examinations shall include a professional knowledge
24 and general knowledge examination and may include but
25 shall not be limited to subject matter proficiency
26 examinations for the appropriate endorsement and
27 approval areas. The board may administer as many
28 examinations per year as are necessary, but shall
29 administer the examination for each subject matter
30 proficiency at least one time per year. The scope of
31 the examinations and the methods of procedure shall be
32 prescribed by the board."

33 38. Page 18, by inserting after line 12 the
34 following:

35 "Sec. ____ . NEW SECTION. 260.20 NATIONAL
36 CERTIFICATION.

37 The board of educational examiners shall review the
38 certification standards for teacher's certificates
39 adopted by the national board for professional
40 teaching standards, a nonprofit corporation created as
41 a result of recommendations of the task force on
42 teaching as a profession of the Carnegie forum on
43 education and the economy. In those cases in which
44 the standards required by the national board for an
45 Iowa endorsement meet or exceed the requirements
46 contained in rules adopted under this chapter for that
47 endorsement, the board of educational examiners shall
48 issue certificates to holders of certificates issued
49 by the national board who request the certificate."

50 39. Page 18, by striking lines 16 through 21.

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40. Page 18, line 31, by striking the word "an"
2 and inserting the following: "a tenth,".

41. Page 19, by striking lines 1 through 4 and
4 inserting the following: "institution, subject to the
5 approval of the board of directors of the school
6 district or the designee of the board of directors, to
7 enroll in a course offered at that eligible insti-
8 tution. If an".

42. Page 19, line 14, by striking the word
9 "shall" and inserting the word "may".

43. Page 19, by striking lines 20 through 27 and
11 inserting the following: "who successfully completes
12 a course."

44. Page 19, by striking lines 28 through 31 and
14 inserting the following:

"Evidence of successful".

45. By striking page 19, line 35 through page 20,
17 line 17 and inserting the following:

"Sec. ____ . NEW SECTION. 261C.6 TUITION AND
19 COSTS.

21 Payment by a school district to an eligible insti-
22 tution for tuition and costs for a pupil enrolled in a
23 course at the institution shall be determined by the
24 board of directors of the school district in
25 cooperation with the institution. If an eligible
26 postsecondary institution is an area school
27 established under chapter 280A and the area school
28 counts the contact hours of high school pupils under
29 this chapter as contact hours eligible for general aid
30 under chapter 286A, the area school is not eligible to
31 receive the payment by a school district under this
32 section for those contact hours."

46. Page 20, by striking lines 27 through 29 and
34 inserting the following: "the course in which the
35 pupil is enrolled except when the pupil may receive
36 postsecondary academic credit upon successful
37 completion of the course. The pupil may be required
38 to purchase equipment or materials that become the
39 property of the pupil."

47. Page 20, by inserting after line 29 the
41 following:

"Sec. ____ . Section 273.1, Code 1987, is amended to
43 read as follows:

273.1 INTENT.

45 It is the intent of the general assembly to provide
46 an effective, efficient, and economical means of
47 identifying and serving children from under five years
48 of age through grade twelve who require special
49 education and any other children requiring special
education as defined in section 281.2; to provide for

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1 media services and other programs and services for
2 pupils in grades kindergarten through twelve and
3 children requiring special education as defined in
4 section 273.7A, to provide a method of financing the
5 programs and services; and to avoid a duplication of
6 programs and services provided by any other school
7 corporation in the state; and to provide services to
8 school districts under a contract with those school
9 districts."

10 48. Page 20, by striking lines 30 through 34.

11 49. By striking page 20, line 35 through page 21,
12 line 13.

13 50. By striking page 21, line 14 through page 22,
14 line 24.

15 51. Page 22, by striking lines 25 through 35.

16 52. Page 23, by inserting before line 1 the
17 following:

18 "Sec. . NEW SECTION. 273.7A SERVICES TO
19 SCHOOL DISTRICTS.

20 The board of an area education agency may provide
21 services to school districts located in the area
22 education agency under contract with the school
23 districts. These services may include, but are not
24 limited to, superintendency services, personnel
25 services, legal services, business management
26 services, specialized maintenance services, and
27 transportation services. In addition, the board of
28 the area education agency may provide for furnishing
29 expensive and specialized equipment for school
30 districts. School districts shall pay to area
31 education agencies the cost of providing the services.

32 The board of an area education agency may also
33 provide services authorized to be performed by area
34 education agencies to other area education agencies in
35 this state and to provide a method of payment for
36 these services."

37 53. Page 23, by inserting before line 1 the
38 following:

39 "Sec. 102. Section 274.37, unnumbered paragraph 2,
40 Code 1987, is amended to read as follows:

41 The boards in the respective districts, the
42 boundaries of which have been changed under this
43 section, complete in all respects, except for the
44 passage of time prior to the effective date of the
45 change, and when ~~all~~ the right of appeal of the change
46 has expired, may enter into joint contracts for the
47 construction of buildings for the benefit of the
48 corporations whose boundaries have been changed, using
49 funds accumulated ~~under section 278-17-subsection 7~~
50 from the capital projects and equipment amount. The

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district in which the building is to be located may
2 use any funds authorized in accordance with chapter
3 75. ~~Nothing in this section shall be construed to~~
4 This section does not permit the changed districts to
5 expend any funds jointly which they are not entitled
6 to expend acting individually."

7 54. Page 23, by inserting before line 1 the
8 following:

9 "Sec. _____. Section 275.12, subsection 2, paragraph
10 a, Code 1987, is amended by striking the paragraph.

11 Sec. _____. Section 275.12, subsection 3, Code 1987,
12 is amended to read as follows:

13 3. ~~If the petition proposes the division of the~~
14 ~~school district into director districts, the~~ The
15 boundaries of such proposed director districts shall
16 be described in the petition."

17 55. Page 23, by inserting before line 1 the fol-
18 lowing:

19 "Sec. 103. Section 275.12, subsection 5, Code
20 1987, is amended by striking the subsection."

21 56. Page 23, by inserting before line 1 the
22 following:

23 "Sec. _____. Section 275.18, unnumbered paragraph 2,
Code 1987, is amended to read as follows:

24 The county commissioner of elections shall give
25 notice of the election by one publication in the same
26 newspaper in which previous notices have been
27 published regarding the proposed school
28 reorganization, and in addition, if more than one
29 county is involved, by one publication in a legal
30 newspaper in each county other than that of the first
31 publication. The publication shall be not less than
32 four nor more than twenty days prior to the election.
33 If the decision published pursuant to section 275.15
34 or 275.16 includes a description of the proposed
35 school corporation and a description of the director
36 districts, ~~if any,~~ the notice for election and the
37 ballot do not need to include these descriptions.
38 Notice for an election shall not be published until
39 the expiration of time for appeal, which shall be the
40 same as that provided in section 275.15 or 275.16,
41 whichever is applicable; and if there is an appeal,
42 not until the appeal has been disposed of."

44 57. Page 23, by inserting before line 1 the
45 following:

46 "Sec. 104. Section 275.20, Code 1987, is amended
47 to read as follows:

48 275.20 SEPARATE VOTE IN EXISTING DISTRICTS.

49 The voters shall vote separately in each existing
school district affected and voters residing in the

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1 entire existing district are eligible to vote both
2 upon the proposition to create a new school
3 corporation and the proposition to levy the
4 schoolhouse tax under section 278.17 subsection 7, if
5 the petition included a provision for a vote to levy
6 the schoolhouse tax. If a proposition receives a
7 majority of the votes cast in each of at least
8 seventy-five percent of the districts, and also a
9 majority of the total number of votes cast in all of
10 the districts, the proposition is carried."

11 58. Page 23, by inserting before line 1 the
12 following:

13 "Sec. ____ . Section 275.23A, subsection 1, Code
14 1987, is amended to read as follows:

15 1. School districts which have directors who
16 represent director districts as provided in section
17 275.127, subsection 27, paragraphs b through e, Director
18 districts shall be divided into director districts on
19 the basis of population as determined from the most
20 recent federal decennial census. The director
21 districts shall be as nearly equal as practicable to
22 the ideal population for the districts as determined
23 by dividing the number of director districts to be
24 established into the population of the school
25 district. The director districts shall be composed of
26 contiguous territory as compact as practicable."

27 59. Page 23, by inserting before line 1 the
28 following:

29 "Sec. 105. Section 275.32, Code 1987, is amended
30 to read as follows:

31 275.32 SCHOOL BUILDINGS -- TAX LEVY.

32 The board of any a school corporation shall
33 establish attendance centers and provide suitable
34 buildings for each school in the district, and may at
35 the regular or a special meeting call a special
36 election to submit to the qualified electors of the
37 district the question of voting a tax or authorizing
38 the board to issue bonds, or both, for any or all of
39 the following purposes:

40 1. To secure sites, build, purchase, or equip
41 school buildings.

42 2. To build or purchase a superintendent's or
43 teacher's house or houses.

44 3. To repair or improve any a school building or
45 grounds, or superintendent's or teacher's house or
46 houses, when the cost will exceed five thousand
47 dollars.

48 All moneys Moneys received for such the purposes
49 listed in this subsection shall be placed in the
50 schoolhouse capital projects fund of said the

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corporation and shall be used only for the purpose for which voted."

60. Page 23, by inserting before line 1 the following:

"Sec. ____ . Section 275.33, subsection 2, unnumbered paragraph 1, Code 1987, is amended to read as follows:

The collective bargaining agreement of the district with the largest basic enrollment, as defined in section 442.4, in the new district shall serve as the base agreement and the employees of the other districts involved in the formation of the new district shall automatically be accreted to the bargaining unit of that collective bargaining agreement for purposes of negotiating the contracts for the following years without further action by the public employment relations board. If only one collective bargaining agreement is in effect among the districts which are party to the reorganization, then that agreement shall serve as the base agreement, and the employees of the other districts involved in the formation of the new district shall automatically be accreted to the bargaining unit of that collective bargaining agreement for purposes of negotiating the contracts for the following years without further action by the public employment relations board. The board of the newly formed district, using the base agreement as its existing contract, shall bargain with the combined employees of the existing districts for the school year beginning with the effective date of the reorganization. The bargaining shall be completed by March 15 prior to the school year in which the reorganization becomes effective or within one hundred eighty days after the organization of the new board, whichever is later unless section 20.22A is used. If a bargaining agreement was already concluded by the board and employees of the existing district with the contract serving as the base agreement for the school year beginning with the effective date of the reorganization, that agreement shall be void. However, if the base agreement contains multiyear provisions affecting school years subsequent to the effective date of the reorganization, the base agreement shall remain in effect as specified in the agreement."

61. Page 23, by inserting before line 1 the following:

"Sec. ____ . Section 275.51, unnumbered paragraphs 1 and 2, Code 1987, are amended to read as follows:
As an alternative to school district reorganization

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1 prescribed in this chapter, the board of directors of
2 a school district may establish a school district
3 dissolution commission to prepare a proposal of
4 dissolution of the school district and attachment of
5 ~~all of~~ the entire school district to one or more
6 contiguous school districts and to include in the or
7 the dissolution of a portion of a school district and
8 attachment of that portion to one or more contiguous
9 school districts if the remaining portion of the
10 district contains at least six hundred pupils in the
11 year in which the dissolution will take effect and if
12 there are no outstanding bonds in existence in the
13 school district. The proposal shall include a
14 division of the assets and liabilities of the
15 dissolving school district. A dissolution commission
16 may be established for dissolving a portion of a
17 district on the board's own motion and shall be
18 established upon the receipt of a petition signed by
19 at least sixty percent of the qualified electors
20 residing within the portion of a district that desires
21 to be dissolved.

22 The dissolution commission shall consist of seven
23 members appointed by the board for a term of office
24 ending either with a report to the board that no
25 proposal can be approved or on the date of the
26 election on the proposal. If the dissolution proposal
27 is for a portion of a school district, four members
28 must be residents of the portion of the district that
29 is dissolving. Members of the dissolution commission
30 must be eligible electors who reside in the school
31 district, not more than three of whom may be members
32 of the board of directors of the school district.
33 Members shall be appointed from throughout the school
34 district and should represent the various
35 socioeconomic factors present in the school district.

36 Sec. ____ . Section 275.54, unnumbered paragraph 1,
37 Code 1987, is amended to read as follows:

38 Within ten days following the filing of the
39 dissolution proposal with the board for the
40 dissolution of an entire school district, the board
41 shall fix a date for a hearing on the proposal which
42 shall not be more than sixty days after the
43 dissolution petition was filed with the board. The
44 board shall publish notice of the date, time, and
45 location of the hearing at least ten days prior to the
46 date of the hearing by one publication in a newspaper
47 in general circulation in the district. The notice
48 shall include the content of the dissolution proposal.
49 A person residing or owning land in the school
50 district may present evidence and arguments at the

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hearing. The president of the board shall preside at
2 the hearing. The board shall review testimony from
3 the hearing and shall adopt or amend and adopt the
4 dissolution proposal. If the dissolution proposal is
5 for the dissolution of a portion of a school district,
6 the board shall call a special election under section
7 275.55. The board shall notify by registered mail the
8 boards of directors of all school districts to which
9 area of the affected school district will be attached
10 and the director of the department of education of the
11 contents of the dissolution proposal adopted by the
12 board. If the board of a district to which area of
13 the affected school district will be attached objects
14 to the attachment, that portion of the dissolution
15 proposal will not be included in the proposal voted
16 upon under section 275.55 and the director of the
17 department of education shall attach the area to a
18 contiguous school district. If the board of a
19 district to which area of the affected school district
20 will be attached objects to the division of assets and
21 liabilities contained in the dissolution proposal,
22 section 275.30 applies for the division of assets and
23 liabilities to that district.

Sec. ____ . Section 275.55, unnumbered paragraph 1,
Code 1987, is amended to read as follows:

26 The board of the school district shall call a
27 special election to be held not later than forty days
28 following the date of the final hearing on the
29 dissolution proposal. The special election may be
30 held at the same time as the regular school election.
31 The proposition submitted to the voters residing in
32 the school district at the special election shall
33 describe each separate area to be attached to a
34 contiguous school district and shall name the school
35 district to which it will be attached. If the special
36 election is for the dissolution of a portion of a
37 school district, only electors residing in the portion
38 of the school district proposing to be dissolved are
39 eligible to vote.

40 Sec. ____ . Section 275.55, unnumbered paragraph 3,
41 Code 1987, is amended to read as follows:

42 The proposition to dissolve an entire school
43 district shall be adopted if a majority of the
44 electors voting on the proposition approve its
45 adoption. The proposition to dissolve a portion of a
46 school district shall be adopted if a sixty-five
47 percent majority of the electors residing in the
48 portion of the district proposing to dissolve who vote
49 on the proposition approve its adoption. If the
dissolution of a portion of a school district is not

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1 approved, a new proposal shall not be offered for at
2 least twelve months following the date of the
3 election."

4 62. Page 23, by inserting before line 1 the
5 following:

6 "Sec. 106. Section 276.11, Code 1987, is amended
7 by striking the section and inserting in lieu thereof
8 the following:

9 276.11 FUNDING OF COMMUNITY EDUCATION.

10 Moneys received from the capital projects and
11 equipment amount may be expended for community
12 education purposes.

13 Sec. 107. Section 277.2, Code 1987, is amended to
14 read as follows:

15 277.2 SPECIAL ELECTION.

16 The board of directors in any a school corporation
17 may call a special election at which election the
18 voters shall have the powers exercised at the regular
19 election with reference to the sale of school property
20 and the application to be made of the proceeds, the
21 authorization of seven members on the board of
22 directors, the authorization to establish or change
23 the boundaries of director districts, and the
24 authorization of a-schoolhouse-tax-or indebtedness, as
25 provided by law."

26 63. Page 23, by inserting before line 1 the fol-
27 lowing:

28 "Sec. ____ . Section 277.27, Code 1987, is amended
29 to read as follows:

30 277.27 QUALIFICATION.

31 A school officer or member of the board shall, at
32 the time of election or appointment, be an eligible
33 elector of the corporation or subdistrict.

34 Notwithstanding any contrary provision of the Code, no
35 a member of the board of directors of any a school
36 ~~district, or director's spouse,~~ shall not receive
37 compensation directly from the school board. No
38 ~~director or spouse affected by this provision on July~~
39 ~~1, 1972, whose term of office for which elected has~~
40 ~~not expired, or whose contract of employment has a~~
41 ~~fixed date of expiration and has not expired, shall be~~
42 ~~affected by this provision until the expiration of the~~
43 ~~term of office to which elected, or the expiration~~
44 ~~date of the contract for which employed."~~

45 64. Page 23, by inserting before line 1 the fol-
46 lowing:

47 "Sec. 108. Section 278.1, subsection 5, Code 1987,
48 is amended to read as follows:

49 5. Direct the transfer of any surplus in the
50 schoolhouse capital projects fund to the general fund.

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Sec. 109. Section 278.1, subsection 7, Code 1987,
2 is amended by striking the subsection.

Sec. 110. Section 278.1, unnumbered paragraphs 2
4 and 3, Code 1987, are amended to read as follows:

5 The board may, ~~with approval of sixty percent of~~
6 ~~the voters, voting in a regular or special election in~~
7 ~~the school district,~~ make extended time contracts not
8 to exceed twenty years in duration for rental of
9 buildings to supplement existing schoolhouse
10 facilities; and where if it is deemed advisable for
11 buildings to be constructed or placed on real estate
12 owned by the school district, such the contracts may
13 include lease-purchase option agreements, such
14 contracts, with the amounts to be paid out of the
15 schoolhouse capital projects fund using revenues from
16 the capital projects and equipment amount.

17 Before entering into a rental or lease-purchase
18 option contract, ~~authorized by the electors,~~ the board
19 shall first adopt plans and specifications for a
20 building or buildings which it considers suitable for
21 the intended use and also adopt a form of rental or
22 lease-purchase option contract. The board shall then
23 invite bids thereon on the project, by advertisement
24 published once each week for two consecutive weeks, in
25 a newspaper published in the county in which the
26 building or buildings are is to be located, and the
27 rental or lease-purchase option contract shall be
28 awarded to the lowest responsible bidder, but the
29 board may reject any and all bids and advertise for
30 new bids.

31 Sec. 111. Section 278.1, unnumbered paragraph 4,
32 Code 1987, is amended by striking the unnumbered
33 paragraph."

34 65. Page 23, line 17, by inserting after the word
35 "years." the following: "However, the board's initial
36 contract with a superintendent shall not exceed one
37 year if the board is obligated to pay a former
38 superintendent under an unexpired contract."

39 66. Page 23, by inserting after line 21 the
40 following:

41 "Sec. 112. Section 279.26, Code 1987, is amended
42 to read as follows:

43 279.26 LEASE ARRANGEMENTS.

44 The board of directors of a local school district
45 ~~for which a schoolhouse tax has been voted pursuant to~~
46 ~~section 278-17-subsection 7,~~ may enter into a rental
47 or lease arrangement, ~~consistent with the purposes for~~
48 ~~which the schoolhouse tax has been voted,~~ for a period
49 not exceeding ten years and ~~not exceeding the period~~
for which the schoolhouse tax has been authorized by

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1 ~~the-voters~~ using revenues from the capital projects
2 and equipment amount."

3 67. Page 24, by striking lines 16 through 18 and
4 inserting the following: "weeks following the
5 adjournment of the meeting."

6 68. Page 24, by striking lines 26 through 34.

7 69. Page 24, by inserting before line 35, the
8 following:

9 "Sec. 113. Section 279.41, Code 1987, is amended
10 to read as follows:

11 279.41 SCHOOLHOUSES AND SITES SOLD -- FUNDS.

12 Any fund received from the condemnation sale, or
13 other disposition for public purposes of schoolhouses,
14 school sites or both schoolhouses and school sites may
15 be deposited in the schoolhouse capital projects fund
16 and may without a vote of the electorate be used for
17 the purchase of school sites or the erection or repair
18 of schoolhouses or both as ordered by the board of
19 directors of ~~such the~~ school district, ~~provided,~~
20 ~~however, that.~~ However, the board shall comply with
21 section 297.7.

22 Sec. 114. Section 279.42, Code 1987, is amended to
23 read as follows:

24 279.42 GIFTS TO SCHOOLS.

25 The board of directors of any school district which
26 receives funds through gifts, devises and bequests may
27 utilize the same funds, unless limited by the terms of
28 the grant, in the general or schoolhouse capital
29 projects fund expenditures.

30 Sec. 115. Section 279.43, subsection 1, Code 1987,
31 is amended to read as follows:

32 1. The board of directors may pay the actual cost
33 of removal or encapsulation of asbestos existing in
34 its school buildings from any funds in the general
35 fund of the district, funds received from the
36 ~~schoolhouse-tax-authorized-under-section-278-1,~~
37 ~~subsection-7~~ capital projects and equipment amount,
38 funds from the tax levy certified under section 297.5
39 or moneys obtained through a federal asbestos loan
40 program, to be repaid from any of the funds specified
41 in this subsection."

42 70. Page 26, by striking lines 23 through 27 and
43 inserting the following: "school district may enroll
44 the parent's".

45 71. Page 27, line 4, by inserting after the word
46 "residence." the following: "The notification shall
47 list the educational opportunities that the parent or
48 guardian believes are necessary for the child and
49 shall describe the manner in which the contiguous
50 district can provide those educational opportunities."

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1 The state board of education shall adopt rules under
2 chapter 17A that define educational opportunity."

3 72. Page 27, by striking lines 5 through 14.

4 73. Page 27, by striking lines 17 through 21 and
5 inserting the following: "period. However, if a
6 parent or guardian chooses to reenroll the child in
7 the district of residence, or to enroll the child in
8 another school district, during the four-year period,
9 the parent or guardian shall pay the maximum tuition
10 fee to the district pursuant to section 282.24."

11 74. Page 27, by inserting after line 29 the fol-
12 lowing:

13 "Following approval of the transfer, the board of
14 the district of residence shall transmit a copy of the
15 form to the contiguous school district. The board of
16 the contiguous school district shall enroll the pupil
17 in a school in the contiguous district for the
18 following school year unless the contiguous district
19 does not have classroom space for the pupil or unless
20 enrolling the pupil in the contiguous district will
21 adversely affect the minority enrollment in a school
22 district in which there is voluntary or court-ordered
23 desegregation."

24 75. Page 28, by striking lines 26 through 28 and
25 inserting the following: "have been achieved. The
26 committee appointed by the board under section 280.12
27 shall advise the board concerning the".

28 76. Page 29, by striking lines 16 through 26.

29 77. Page 30, by inserting after line 34 the
30 following:

31 "4. A whole grade sharing agreement shall be
32 signed by the boards of the districts involved in the
33 agreement not later than February 1 of the school year
34 preceding the school year for which the agreement is
35 to take effect."

36 78. Page 31, by striking lines 5 through 11, and
37 inserting the following: "district that is a party to
38 a proposed sharing agreement shall hold a public
39 hearing at which the proposed agreement is described,
40 and at which the parent or guardian of an affected
41 pupil shall have an opportunity to comment on the
42 proposed agreement."

43 79. Page 31, line 21, by inserting after the word
44 "factors." the following: "An appeal shall specify a
45 contiguous school district to which the parent or
46 guardian wishes to send the affected pupil."

47 80. Page 31, line 24, by inserting after the word
48 "agreement." the following: "The state board may
49 require the district of residence to pay tuition to
the contiguous school district specified by the parent

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1 or guardian, or may deny the appeal by the parent or
2 guardian. If the state board requires the district of
3 residence to pay tuition to the contiguous school
4 district specified by the parent or guardian, the
5 tuition shall be equal to the tuition established in
6 the sharing agreement."

7 81. By striking page 31, line 29 through page 32,
8 line 3."

9 82. Page 32, by striking lines 8 through 11 and
10 inserting the following:

11 "2. For one-way sharing, the sending district
12 shall pay no less than one-half of the district cost
13 per pupil of the sending district."

14 83. Page 32, by inserting after line 28 the
15 following:

16 "Sec. 116. Section 283A.9, Code 1987, is amended
17 to read as follows:

18 283A.9 BUILDING FOR SCHOOL LUNCH FACILITY.

19 School districts ~~are authorized to~~ may purchase,
20 erect, or otherwise acquire a building for use as a
21 school lunch facility, and to equip ~~such~~ a building
22 for ~~such that~~ use, and pay for ~~same~~ the acquisition or
23 equipping from unencumbered funds on hand in the
24 ~~schoolhouse fund derived from taxes voted under~~
25 ~~authority of section 278.17, subsection 77, or 275.32~~
26 capital projects fund, subject to the terms of this
27 section, or may pay for ~~same~~ the facility or equipment
28 from the proceeds of the sale of school property sold
29 under section 297.22, or from surplus remaining in the
30 schoolhouse capital projects fund after retirement of
31 a bond issue, ~~or from a tax voted for said purposes.~~

32 84. Page 32, by inserting after line 28 the
33 following:

34 "Sec. . Section 290.1, Code 1987, is amended to
35 read as follows:

36 290.1 APPEAL TO STATE BOARD.

37 Any A person aggrieved by any a decision or order
38 of the board of directors of any a school corporation
39 in a matter of law or fact, or a decision or order of
40 a board of directors under section 280.16 may, within
41 thirty days after the rendition of such the decision
42 or the making of such the order, appeal ~~therefrom the~~
43 decision or order to the state board of education; the
44 basis of the proceedings shall be an affidavit filed
45 with the state board by the party aggrieved within the
46 time for taking the appeal, which affidavit shall set
47 forth any error complained of in a plain and concise
48 manner."

49 85. Page 32, by inserting after line 28 the fol-
50 lowing:

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"Sec. 117. Section 291.13, Code 1987, is amended to read as follows:

291.13 GENERAL AND ~~SEH00SH00SE~~ CAPITAL PROJECTS FUNDS.

The money collected ~~by a tax authorized by the electors~~ for the capital projects and equipment amount or the proceeds of the sale of bonds authorized by law or the proceeds of a tax estimated and certified by the board for the purpose of paying interest and principal on lawful bonded indebtedness or for the purchase of sites as authorized by law, shall be called the schoolhouse capital projects fund and, except when authorized by the electors, may be used only for the purpose for which originally authorized or certified. All other moneys received for any other purpose shall be called the general fund. The treasurer shall keep a separate account with each fund, paying no order that fails to state the fund upon which it is drawn and the specific use to which it is to be applied.

Sec. 118. Section 291.15, Code 1987, is amended to read as follows:

291.15 ANNUAL REPORT.

The treasurer shall make an annual report to the board at its regular July meeting, which shall show the amount of the general fund and the schoolhouse capital projects fund held over, received, paid out, and on hand, the several funds to be separately stated, and the treasurer shall immediately file a copy of this report with the director of the department of education and a copy with the county treasurer.

Sec. 119. Section 296.7, Code 1987, is amended to read as follows:

296.7 INDEBTEDNESS FOR INSURANCE AUTHORIZED -- TAX LEVY.

A school district or merged area school corporation is authorized to contract indebtedness and to issue general obligation bonds or enter into insurance agreements obligating the school district or corporation to make payments beyond its current budget year to procure or provide for a policy of insurance, a self-insurance program, or a local government risk pool to protect the school district or corporation from tort liability, loss of property, or any other risk associated with the operation of the school district or corporation. Taxes for the payment of the principal, premium, or interest on such a bond, the payment of such an insurance policy, the payment of the costs of such a self-insurance program, the

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1 payment of the costs of such a local government risk
2 pool, and the payment of any amounts payable under any
3 such insurance agreement may be levied in excess of
4 any tax limitation imposed by statute. For a school
5 district, a tax levied under this section shall be
6 included in the liability levy under section 298.4.

7 Such a self-insurance program or local government risk
8 pool is not insurance and is not subject to regulation
9 under chapters 505 through 523C. However, those self-
10 insurance plans regulated pursuant to section 509A.14
11 shall remain subject to the requirements of section
12 509A.14 and rules adopted pursuant to that section.

13 Sec. 120. Section 297.5, unnumbered paragraph 1,
14 Code 1987, is amended to read as follows:

15 The directors in a high school district maintaining
16 a program kindergarten through grade twelve may, by
17 March 15 of each year certify an amount not exceeding
18 twenty-seven cents per thousand dollars of assessed
19 value to the board of supervisors, who shall levy the
20 amount so certified, and the tax so levied shall be
21 placed in the schoolhouse capital projects fund to be
22 used for the purchase and improvement of sites, or for
23 major building repairs for transportation equipment
24 for transporting students if the district has fewer
25 than three pupils per square mile and the regular
26 school routes consist of a single round trip per child
27 per day, or for educational technology equipment
28 including telecommunications equipment and computer
29 equipment. Any funds expended by a school district
30 for new construction of school buildings or school
31 administration buildings must first be approved by the
32 voters of the district.

33 Sec. 121. Section 297.22, unnumbered paragraph 2,
34 Code 1987, is amended to read as follows:

35 Proceeds from the sale, lease or disposition of
36 real property shall be placed in the schoolhouse
37 capital projects fund and proceeds from the sale,
38 lease or disposition of property other than real
39 property shall be placed in the general fund.

40 Sec. 122. NEW SECTION. 297.35 CONTINUATION OF
41 LOAN AGREEMENT.

42 A loan agreement between a school district and a
43 bank, investment banker, trust company, insurance
44 company, or insurance group that was made under
45 section 297.36 prior to July 1, 1987, in order to make
46 immediately available proceeds of the schoolhouse tax
47 approved by the voters prior to July 1, 1987 shall
48 continue in effect for the duration of the loan
49 agreement.

50 Sec. 123. Section 297.36, Code 1987, is amended to

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read as follows:

2 297.36 LOAN AGREEMENTS.

3 In order to make immediately available proceeds of
4 the schoolhouse ~~197-17-17~~ ~~which has been approved by the~~
5 ~~voters as provided in section 278-17-subsection-7~~
6 capital projects and equipment amount authorized in
7 section 298.2, the board of directors may, with or
8 without notice, borrow money and enter into loan
9 agreements of not to exceed ten years in duration if
10 approved by the board, or the period of years approved
11 at an election if an election is held, in anticipation
12 of the collection of the tax amount with a bank,
13 investment banker, trust company, insurance company,
14 or insurance group.

15 By resolution, the board shall provide for an
16 annual levy and income surtax imposition which is
17 within the limits of the tax approved by the voters
18 amount authorized in section 298.2 to pay for the
19 amount of the principal and interest due each year
20 until maturity. The board shall file a certified copy
21 of the resolution with the auditor of each county in
22 which the district is located and with the director of
23 the department of revenue and finance. The filing of
24 the resolution with the auditor shall make and
25 director of the department of revenue and finance
26 makes it the duty of the auditor to annually levy the
27 amount certified for collection and the duty of the
28 director of the department of revenue and finance to
29 annually impose the surtax, until funds are realized
30 to repay the loan and interest on the loan in full.

31 The loan must mature within the period of time
32 authorized by the voters and shall bear interest at a
33 rate which does not exceed the limits provided under
34 chapter 74A. A loan agreement entered into pursuant
35 to this section shall be in a form as the board of
36 directors shall by resolution provide and the loan
37 shall be payable as to both principal and interest
38 from the proceeds of the annual levy and imposition of
39 the voted tax pursuant to section 278-17-subsection-7
40 capital projects and equipment amount, or so much
41 thereof as will be sufficient to pay the loan and
42 interest on the loan.

43 The proceeds of a loan must be deposited in a fund
44 which is separate from other district funds. Warrants
45 paid from this fund must be for purposes authorized by
46 the voters as provided in section 278-17-subsection-7
47 for the capital projects and equipment amount.

48 This section does not limit the authority of the
49 board of directors to levy and impose the full amount
50 of the voted tax capital projects and equipment

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1 amount, but if and to whatever extent the tax is
2 levied in any year in excess of the amount of
3 principal and interest falling due in that year under
4 a loan agreement, the first available proceeds, to an
5 amount sufficient to meet maturing installments of
6 principal and interest under the loan agreement, shall
7 be paid into the sinking fund for the loan before the
8 taxes are otherwise made available to the school
9 corporation for other school purposes, and the amount
10 required to be annually set aside to pay principal of
11 and interest on the money borrowed under the loan
12 agreement ~~shall constitute~~ constitutes a first charge
13 upon the proceeds of the ~~special-voted-tax~~ capital
14 projects and equipment levy and income surtax, which
15 tax shall be pledged to pay the loan and the interest
16 on the loan.

17 This section is supplemental and in addition to
18 existing statutory authority to finance the purposes
19 specified in section ~~278.17-subsection-7~~ 298.2, and
20 for the borrowing of money and execution of loan
21 agreements in connection with that section ~~and~~
22 ~~subsection~~, and is not subject to any other law. The
23 fact that a school corporation may have previously
24 borrowed money and entered into loan agreements under
25 authority of this section does not prevent the school
26 corporation from borrowing additional money and
27 entering into further loan agreements if the aggregate
28 of the amount payable under all of the loan agreements
29 does not exceed the proceeds of the ~~voted-tax~~ capital
30 projects and equipment amount.

31 Sec. 124. NEW SECTION. 298.2 CAPITAL PROJECTS
32 AND EQUIPMENT AMOUNT.

33 The board of directors of a school district may
34 approve the raising of a capital projects and
35 equipment amount not exceeding the amount that could
36 be raised if a property tax of eighty-one cents per
37 thousand dollars of assessed valuation were levied on
38 all taxable property in the school district. The
39 amount shall be raised by a combination of a property
40 tax and an income surtax imposed on the state income
41 tax in any proportion determined by the board except
42 that the property tax rate shall not exceed forty and
43 one-half cents per thousand dollars of assessed
44 valuation of taxable property in the district except
45 as otherwise provided in this section. The property
46 tax rate levied pursuant to a loan agreement continued
47 under section 297.35 shall be subtracted from the
48 limitation of this section.

49 Within thirty days following the decision of a
50 board to approve a capital projects and equipment

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1 amount, if a petition signed by at least twenty
2 percent of the qualified electors residing within the
3 district is received by the board, then the proposal
4 shall be placed on the ballot at a regular or special
5 election, as determined by the board. The board may
6 specify a different proportion between the property
7 tax and the income surtax on the state individual
8 income tax for the election, and the board may provide
9 that any portion of the capital projects and equipment
10 amount may be raised by a property tax levy or an
11 income surtax. If an election is required, the
12 proposition to approve the amount is approved with a
13 simple majority vote. The proposition may include a
14 provision for approval of the amount for a specified
15 number of years not to exceed ten.

16 Notice of the election shall be given by the county
17 commissioner of elections by publication in accordance
18 with section 49.53.

19 The board of directors shall estimate and certify
20 to the board of supervisors of the proper county for
21 the capital projects fund, the amount required from
22 property tax revenues based upon the decision of the
23 board. The board of directors shall estimate and
24 certify to the director of revenue and finance for the
25 capital projects fund, the amount required from the
26 income surtax to pay the remaining portion of the
27 capital projects and equipment amount. Annually the
28 director of revenue and finance shall establish the
29 rate of the income surtax based upon an average of the
30 income tax collections in the school district for the
31 three preceding years.

32 The income surtax shall be imposed on the state
33 individual income tax for each calendar year, or for a
34 taxpayer's fiscal year ending during the second half
35 of that calendar year or the first half of the
36 succeeding calendar year, and shall be imposed on all
37 individuals residing in the school district on the
38 last day of the applicable tax year. As used in this
39 section, "state individual income tax" means the tax
40 computed under section 422.5, less the deductions
41 allowed in sections 422.10, 422.11, and 422.12.

42 Sections 442.16, 442.17, 442.19, and 442.20 apply
43 to the income surtax established in this section. The
44 director of revenue and finance shall deposit all
45 moneys received as income surtax to the credit of each
46 district from which the moneys are received, in an
47 "income surtax fund" which is established in the
48 office of the treasurer of state.

Annually, after crediting to the department of
revenue and finance a reasonable amount for costs of

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1 administration, the treasurer of state shall remit to
2 the school districts which have imposed an income
3 surtax their share of the balance in the income surtax
4 fund. The proceeds of the tax shall be pledged for
5 the payment of the capital projects and equipment
6 amount. The costs of administration shall be
7 determined by the department of revenue and finance,
8 and shall be based on a share of the total cost of
9 administering the department, in the same proportion
10 as the amount of income surtax collected is to the
11 amount of state income taxes collected.

12 The department of revenue and finance shall supply
13 appropriate forms, or provide space on the regular
14 state income tax forms, for reporting school district
15 income tax liability, and shall administer the income
16 surtax as nearly as possible in conjunction with the
17 administration of the state income tax law, for
18 purposes of economy and efficiency. The department of
19 revenue and finance shall adopt rules to carry out the
20 income surtax. The amount of income surtax collected
21 above the amount estimated to be collected shall be
22 placed in a separate income surtax account in the
23 capital projects fund to be used to supplement the
24 surtax portion during years in which the amount of
25 income surtax collected is less than the amount
26 estimated to be collected.

27 In any year that the amount of income surtax
28 collected plus the amount in the separate account are
29 insufficient, the board of directors shall deduct the
30 remainder from moneys in the general fund of the
31 school district and the board of directors shall repay
32 the amount borrowed when funds are available in the
33 separate account.

34 Sec. 125. NEW SECTION. 298.3 PURPOSES OF CAPITAL
35 PROJECTS AND EQUIPMENT AMOUNT.

36 The revenue from the property tax and income surtax
37 shall be placed in the capital projects fund and
38 expended only for the following purposes:

39 1. The purchase and improvement of grounds.
40 "Purchase of grounds" includes: Legal costs
41 relating to the property acquisition, costs of surveys
42 of the property, costs of relocation assistance under
43 state and federal law, and other costs incidental to
44 the property acquisition. "Improvement of grounds"
45 includes: Grading, landscaping, seeding, and planting
46 of shrubs and trees; constructing sidewalks, roadways,
47 retaining walls, sewers and storm drains, and
48 installing hydrants; surfacing and soil treatment of
49 athletic fields and tennis courts; furnishing and
50 installing flagpoles, gateways, fences, and

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underground storage tanks which are not parts of building service systems; demolition work; and special assessments against the school district for capital improvements such as streets, curbs, and drains.

2. The construction of schoolhouses or buildings and opening roads to schoolhouses or buildings.

3. The purchase of buildings or equipment for buildings or schoolhouses, including the purchase of educational technology equipment.

4. The payment of debts contracted for the erection or construction of schoolhouses or buildings, not including interest on bonds.

5. Procuring or acquisition of libraries.

6. The purchase of school textbooks if under chapter 301 the school district is loaning the textbooks to pupils at no charge.

7. Repairing, remodeling, reconstructing, improving, or expanding the schoolhouse or buildings.

For the purpose of this section, "repairing" means to restore an existing structure or thing to its

original condition, as near as may be, after decay, waste, injury, or partial destruction, but does not

include maintenance or customary repainting; and

"reconstruction" means to rebuild or to restore as an entity a thing which was lost or destroyed.

8. The rental of facilities under chapter 28E.

9. Purchase of transportation equipment for transporting students if the district has fewer than three

pupils per square mile and the regular school routes consist of a single round trip per child per day.

10. Lease-purchase option agreements for school buildings.

11. Public educational and recreational purposes authorized in chapter 300.

12. Community education purposes authorized in chapter 276.

Interest earned on money in the capital projects fund may be expended for a purpose listed in this section.

Sec. 126. NEW SECTION. 298.4 LIABILITY LEVY.

The board of directors of a school district may certify for levy by March 15 of a school year, a tax

on all taxable property in the school for a liability levy. The revenue from the tax levied in this section

shall be placed in the general fund of the school district and expended only for the following purposes:

1. To pay the cost of unemployment benefits as provided in section 96.31.

2. To pay the costs of tort liability insurance and the costs of a judgment or settlement relating to

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1 tort liability together with interest accruing on the
2 judgment or settlement to the expected date of payment
3 under sections 613A.7 and 613A.10.

4 3. To pay the costs of insurance agreements under
5 section 296.7.

6 Sec. 127. Section 298.16, Code 1987, is amended to
7 read as follows:

8 298.16 JUDGMENT TAX.

9 If the proper fund is not sufficient, then, unless
10 its board has provided by the issuance of bonds for
11 raising the amount necessary to pay such a judgment,
12 ~~the voters thereof shall at their regular election~~
13 ~~vote a sufficient tax for the purpose~~ cost of the
14 judgment shall be included in the liability levy as
15 provided in section 613A.10.

16 Sec. 128. Section 298.18, unnumbered paragraph 1,
17 Code 1987, is amended to read as follows:

18 The board of each school corporation shall, when
19 estimating and certifying the amount of money required
20 for general purposes, estimate and certify to the
21 board of supervisors of the proper county for the
22 schoolhouse capital projects fund the amount required
23 to pay interest due or that may become due for the
24 fiscal year beginning July 1, thereafter, upon lawful
25 bonded indebtedness, and in addition thereto ~~such the~~
26 amount as the board may deem necessary to apply on the
27 principal.

28 Sec. 129. Section 300.2, Code 1987, is amended by
29 striking the section and inserting in lieu thereof the
30 following:

31 300.2 FUNDING FOR RECREATIONAL PURPOSES.

32 Moneys received from the capital projects and
33 equipment levy may be expended for the purposes listed
34 in section 300.1."

35 86. Page 33, by striking lines 4 through 17 and
36 inserting the following:

37 "Sec. ____ . Section 442.4, subsection 3, paragraphs
38 a and b, Code 1987, are amended to read as follows:

39 a. Twenty-five percent of the basic enrollment for
40 the school year beginning July 1, 1979. However, if
41 the basic enrollment of a school district for a budget
42 year is more than fifteen percent higher than the
43 basic enrollment of the district for the base year,
44 the school district's basic enrollment for the budget
45 year shall be used thereafter for the calculation
46 required under this paragraph in lieu of using the
47 basic enrollment for the school year beginning July 1,
48 1979. However, for the school year beginning July 1,
49 1988, the twenty-five percent portion shall be reduced
50 to twenty percent, and for each succeeding school

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year, the percent shall be reduced five additional
2 percent until the calculation does not exist for the
3 school year beginning July 1, 1992.

4 b. Seventy-five percent of the adjusted enrollment
5 computed under subsection 2, paragraph "a," of this
6 section. However, for the school year beginning July
7 1, 1988, the seventy-five percent portion shall be
8 increased to eighty percent, and for each succeeding
9 school year, the percent shall be increased five addi-
10 tional percent until it equals one hundred percent for
11 the school year beginning July 1, 1992 and school
12 years thereafter."

13 87. By striking page 33, line 20 through page 34,
14 line 4, and inserting the following:

15 "5. For the school year beginning July 1, 1984 and
16 each succeeding school year, if an amount equal to the
17 district cost per pupil for the budget year minus the
18 amount included in the district cost per pupil for the
19 budget year to compensate for the cost of special
20 education support services for a school district for
21 the budget year times the budget enrollment of the
22 school district for the budget year is less than one
23 hundred two percent times an amount equal to the
24 district cost per pupil for the base year minus the
25 amount included in the district cost per pupil for the
26 base year to compensate for the cost of special
27 education support services for a school district for
28 the base year times the budget enrollment for the
29 school district for the base year, the department of
30 management shall increase the budget enrollment for
31 the school district for the budget year to a number
32 which will provide that one hundred two percent
33 amount. For the school year beginning July 1, 1988
34 and each of the next three school years, the one
35 hundred two percent amount shall be reduced by five-
36 tenths of one percent, until for the school year
37 beginning July 1, 1991 and each succeeding school
38 year, the guarantee amount for the budget year is one
39 hundred percent times an amount equal to the district
40 cost per pupil for the base year minus the amount
41 included in the district cost per pupil for the base
42 year to compensate for the cost of special education
43 support services for a school district for the base
44 year times the budget enrollment for the school
45 district for the base year."

46 88. Page 34, line 7, by striking the figure
47 "1980" and inserting the following: "1980 1988".

48 89. By striking page 34, line 13 through page 35,
49 line 28.

90. Page 35, by inserting before line 29 the

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1 following:

2 "Sec. 130. Section 442.5, subsection 1, paragraph
3 a, Code 1987, is amended to read as follows:

4 a. "Miscellaneous income" means all receipts
5 deposited to the general fund of a school district
6 which are not obtained from state aid provided under
7 section 442.1 or from property tax authorized under
8 section 442.2 or 442.9. Miscellaneous income includes
9 property tax levied under ~~the provisions of~~ section
10 ~~613A-7, 298.4~~ to fund the costs of tort liability
11 insurance for the school district.

12 Sec. 131. Section 442.5, subsection 1, paragraph
13 b, Code 1987, is amended by striking the paragraph and
14 inserting in lieu thereof the following:

15 b. "Expenditures" means the total amounts paid out
16 of the general fund of a school district, exclusive of
17 revenues obtained from the liability levy.

18 Sec. 132. Section 442.13, subsection 7, Code 1987,
19 is amended to read as follows:

20 7. The committee may authorize a district to spend
21 a reasonable and specified amount from its unexpended
22 cash balance for the purpose or purposes of
23 furnishing, equipping, and contributing to the
24 construction of a new building or structure for which
25 the voters of the district have approved a bond issue
26 as provided by law ~~or a tax as provided in chapter~~
27 ~~278~~, and for major building repairs as defined in
28 section ~~297-5~~ 298.2. No other expenditure, including
29 but not limited to expenditures for salaries or
30 recurring costs, ~~shall be~~ is authorized under this
31 subsection. Expenditures authorized under this
32 subsection shall not be included in allowable growth
33 or district cost, and the portion of the unexpended
34 cash balance which is authorized to be spent shall be
35 regarded as if it were miscellaneous income. Any part
36 of ~~such the~~ amount which is not actually spent for the
37 authorized purpose ~~shall revert~~ reverts to its former
38 status as part of the unexpended cash balance."

39 91. Page 35, by inserting before line 29 the
40 following:

41 "Sec. _____. Section 442.14, subsection 1, Code
42 1987, is amended to read as follows:

43 1. For the budget year beginning July 1, 1980, and
44 each succeeding school year, if a school board wishes
45 to spend more than the amount permitted under sections
46 442.1 to 442.13, and the school board has not
47 attempted by resolution to raise an additional
48 enrichment amount for that budget year, the school
49 board may raise an additional enrichment amount not to
50 exceed ten percent of the state cost per pupil

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multiplied by the budget enrollment in the district,
2 as provided in this section. For the budget year
3 beginning July 1, 1988 and each succeeding school
4 year, the additional enrichment amount that may be
5 raised is an amount not to exceed fifteen percent of
6 the state cost per pupil multiplied by the budget
7 enrollment in the district. The additional five
8 percent is to provide additional moneys for districts
9 because of budget reductions incurred beginning July
10 1, 1988 under sections 442.4, subsections 3 and 5.

11 Sec. _____. Section 442.14, subsection 4, Code 1987,
12 is amended to read as follows:

13 4. The additional enrichment amount for a district
14 is limited to the amount which may be raised by a
15 combination tax in the prescribed proportion which
16 does not exceed a property tax of one dollar and eight
17 sixty-two cents per thousand dollars of assessed
18 valuation and an income surtax of twenty thirty
19 percent.

20 Sec. _____. Section 442.15, unnumbered paragraph 3,
21 Code 1987, is amended to read as follows:

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

36 92. Page 35, by inserting before line 29 the
37 following:

38 "Sec. _____. Section 442.39, subsection 4,
39 unnumbered paragraph 1, Code 1987, is amended to read
40 as follows:

41 Pupils enrolled in a school district in which one
42 or more administrators are employed jointly under
43 section 280.15, or in which one or more administrators
44 are employed under section 273.7A, are assigned a
45 weighting of one plus five-hundredths for each
46 administrator who is jointly employed times the
47 percent of the administrator's time in which the
48 administrator is employed in the school district.
49 However, the total additional weighting assigned under
this subsection for a budget year for a school

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1 district is fifteen.

2 Sec. _____. Section 442.39, subsection 4, paragraph
3 b, Code 1987, is amended to read as follows:

4 b. School administrators, which includes
5 principals if the principal is not also assigned the
6 duties of a superintendent, assistant principals, and
7 other assistants in general supervision of the
8 operations of the school. School-administrators-does
9 not-include-principals."

10 93. Page 35, by inserting before line 29 the
11 following:

12 Sec. 133. Section 453.14, unnumbered paragraph 2,
13 Code 1987, is amended to read as follows:

14 Earnings and interest from investments authorized
15 by this section shall be used either to retire the
16 bonded indebtedness or to be credited to the
17 schoolhouse capital projects fund for the purpose of
18 financing the construction or equipping of the school
19 building for which the bonds were sold."

20 94. Page 36, by inserting after line 8 the
21 following:

22 "Sec. 134. Section 613A.7, Code 1987, is amended
23 to read as follows:

24 613A.7 INSURANCE.

25 The governing body of any municipality may purchase
26 a policy of liability insurance insuring against all
27 or any part of liability which might be incurred by
28 such municipality or its officers, employees and
29 agents under the provisions of section 613A.2 and
30 section 613A.8 and may similarly purchase insurance
31 covering torts specified in section 613A.4. The
32 governing body of any municipality may adopt a self-
33 insurance program, including but not limited to the
34 investigation and defense of claims, the establishment
35 of a reserve fund for claims, the payment of claims,
36 and the administration and management of the self-
37 insurance program, to cover all or any part of the
38 liability. The governing body of any municipality may
39 join and pay funds into a local government risk pool
40 to protect itself against any or all liability. The
41 governing body of any municipality may enter into
42 insurance agreements obligating the municipality to
43 make payments beyond its current budget year to
44 provide or procure such policies of insurance, self-
45 insurance program, or local government risk pool. The
46 premium costs of such insurance, the costs of such a
47 self-insurance program, the costs of a local
48 government risk pool, and the amounts payable under
49 any such insurance agreements may be paid out of the
50 general fund or any available funds or may be levied

in excess of any tax limitation imposed by statute.
2 For school districts, the costs shall be included in
3 the liability levy as provided in section 296.7. Any
4 independent or autonomous board or commission in the
5 municipality having authority to disburse funds for a
6 particular municipal function without approval of the
7 governing body may similarly enter into insurance
8 agreements, procure liability insurance, adopt a self-
9 insurance program, or join a local government risk
10 pool within the field of its operation. The
11 procurement of such insurance constitutes a waiver of
12 the defense of governmental immunity as to those
13 exceptions listed in section 613A.4 to the extent
14 stated in such policy but shall have no further effect
15 on the liability of the municipality beyond the scope
16 of this chapter, but if a municipality adopts a self-
17 insurance program or joins and pays funds into a local
18 government risk pool such action does not constitute a
19 waiver of the defense of governmental immunity as to
20 the exceptions listed in section 613A.4. The
21 existence of any insurance which covers in whole or in
22 part any judgment or award which may be rendered in
23 favor of the plaintiff, or lack of any such insurance,
24 shall not be material in the trial of any action
brought against the governing body of any
municipality, or its officers, employees or agents and
27 any reference to such insurance, or lack of same,
28 shall be grounds for a mistrial. A self-insurance
29 program or local government risk pool is not insurance
30 and is not subject to regulation under chapters 505
31 through 523C.

32 Sec. 135. Section 613A.10, Code 1987, is amended
33 to read as follows:

34 613A.10 TAX TO PAY JUDGMENT OR SETTLEMENT.

35 When a final judgment is entered against or a
36 settlement is made by a municipality for a claim
37 within the scope of section 613A.2 or 613A.8, payment
38 shall be made and the same remedies shall apply in the
39 case of nonpayment as in the case of other judgments
40 against the municipality. If ~~said~~ a judgment or
41 settlement is unpaid at the time of the adoption of
42 the annual budget, it the municipality shall budget an
43 amount sufficient to pay the judgment or settlement
44 together with interest accruing thereon on it to the
45 expected date of payment. Such A tax may be levied in
46 excess of any limitation imposed by statute. For
47 school districts the costs of a judgment or settlement
48 under this section shall be included in the liability
49 levy pursuant to section 298.4."

95. Page 36, by inserting after line 8 the

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1 following:

2 "Sec. ____ . RETIREMENT INCENTIVES. The board of
3 directors of a school district may adopt a program for
4 payment of a monetary bonus, continuation of health or
5 medical insurance coverage, or other incentives for
6 encouraging its employees to retire before the normal
7 retirement date as defined in chapter 97B. The
8 program is available only to employees between fifty-
9 nine and sixty-five years of age who notify the board
10 at any time between the effective date of this Act and
11 March 1, 1988 that they intend to retire not later
12 than June 30, 1988. An employee retiring under this
13 section shall apply for a retirement allowance under
14 chapter 97B or chapter 294. If the total estimated
15 accumulated cost to a school district of the bonus or
16 other incentives for employees who retire under this
17 section does not exceed the estimated savings in
18 salaries and benefits for employees who replace the
19 employees who retire under the program, the board may
20 certify for levy not later than March 15, 1988 a tax
21 on all taxable property in the school district to pay
22 the costs of the program provided in this section.
23 The levy certified under this section is in addition
24 to any other levy authorized for that school district
25 by law and is not subject to budget limitations
26 otherwise provided by law. A board may amend its
27 certified budget during a fiscal year to provide for
28 payments required under this section. Moneys received
29 from the levy imposed under this section are
30 miscellaneous income for purposes of chapter 442."

31 96. Page 36, by inserting after line 8 the
32 following:

33 "Sec. ____ . The legislative council is requested to
34 appoint a task force consisting of members of the
35 house and senate committees on education and
36 representatives from various education interest groups
37 and institutions providing approved teacher
38 preparation programs to study the role of teachers in
39 the school district, assistance to teachers to foster
40 the development of effective schools, provision for
41 teachers to assume a more active role in educational
42 planning in a school district, and the requirements
43 for teacher preparation programs for the twenty-first
44 century based upon recent recommendations of national
45 associations and organizations who have studied
46 teaching as a profession.

47 The task force shall report its recommendations to
48 the general assembly by February 1, 1988."

49 97. Page 36, by inserting after line 10 the fol-
50 lowing:

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"Sec. 136. Sections 298.7, 298.9 and 298.17, Code
1987, are repealed."
98. Page 36, by striking line 16 and inserting
the following: "takes effect for the school year
beginning July 1, 1988. Section 280.16, Code 1987,
remains in effect for the school year beginning July
1, 1987."
99. Page 36, by inserting after line 16 the
following:
"Sec. _____. Sections 100 through 136 of this Act
take effect October 1, 1987."
100. Title page, line 8, by inserting after the
word "process;" the following: "collective
bargaining; certification of school district
employees; provision of certain services to school
districts and other area education agencies by area
education agencies; provision of pilot projects for
modified block scheduling by school districts and for
year around schools; election of school board
directors; elimination of prohibition of employment of
spouses of school board directors; weighting of school
administrators; changing the name of the schoolhouse
fund to the capital projects fund; establishing a
capital projects and equipment amount to be raised by
a combination of an income surtax and property tax
levy; establishing a liability levy; establishing
sabbatical programs for teachers; the examination of
teachers; dissolution of a portion of a school
district; increasing the enrichment amount; retirement
incentives; studying the role of teachers;"
101. Title page, by striking lines 11 through 14
and inserting the following: "school students; date
of the organizational meeting of".

S-3493

Filed April 9, 1987

BY COMMITTEE ON EDUCATION
LARRY MURPHY, Chairperson

~~S-3493~~
A. 4/16 (p. 1362)

B. Adopted as amended by 3595, 3630,
3657, 3664, 3673 4/16 (p. 1301)

HOUSE FILE 499

S-3417

1 Amend House File 499, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 27, by inserting after the word
4 "position." the following: "For purposes of phase
5 III, "teacher" as it applies to a teacher employed by
6 an area education agency means only an individual
7 employed by an area education agency who actually
8 performs teaching duties in a classroom of students."

S-3417

Filed April 6, 1987

BY JOY C. CORNING

W/D 4/16 (p. 1303)

HOUSE FILE 499

S-3418

1 Amend House File 499, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 1, line 27, by inserting after the word
4 "position." the following: "For the purposes of phase
5 III, "teacher" also includes a principal employed by
6 the board of directors of a school district."

S-3418

Filed April 6, 1987

BY JOY C. CORNING

Adopted 4/16/87 (p. 1313)

SEVENTY-SECOND GENERAL ASSEMBLY
1987 REGULAR SESSION

DAILY
SENATE CLIP SHEET

APRIL 14, 1987

HOUSE FILE 499

S-3517

1 Amend the amendment S-3493 to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. By striking page 32, line 37 through page 33,
5 line 12, and inserting the following:

6 "Sec. ____ . Section 442.4, subsection 3, unnumbered
7 paragraph 1 and paragraph a, Code 1987, are amended to
8 read as follows:

9 For the school year beginning July 1, ~~1980~~ 1987,
10 and each subsequent school year, budget enrollment
11 means the sum of the following:

12 a. Twenty-five percent of the basic enrollment for
13 the school formula year beginning ~~July 1, 1979~~.

14 However, if the basic enrollment of a school district
15 for a budget year is more than fifteen percent higher
16 than the basic enrollment of the district for the base
17 year, the school district's basic enrollment for the
18 budget year shall be used thereafter for the
19 calculation required under this paragraph in lieu of
20 using the basic enrollment for the school year
21 beginning ~~July 1, 1979~~.

22 For the purpose of this subsection, the listed
23 budget years shall use the listed formula years:

24 (1) For the budget year beginning July 1, 1987,
25 the formula year used for determining budget
26 enrollment is the budget year beginning July 1, 1979.

27 (2) For the budget year beginning July 1, 1988,
28 the formula year used for determining budget
29 enrollment is the budget year beginning July 1, 1981.

30 (3) For each succeeding budget year, the formula
31 year used for determining budget enrollment shall be
32 advanced two years until for the budget year beginning
33 July 1, 1994, the formula year for determining budget
34 enrollment is the budget year beginning July 1, 1993.
35 Thereafter, the budget enrollment for a budget year is
36 equal to the basic enrollment for the base year."

S-3517

Filed April 13, 1987

BY RAY TAYLOR

6/0 4/16 (4 1360)

HOUSE FILE 499

S-3525

1 Amend House File 499 as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 11, by inserting after line 20 the
4 following:

5 "A supplemental pay plan may provide for
6 supplementing the costs of vocational agriculture
7 programs as provided in section 294A.16A."

8 2. Page 14, by inserting before line 11 the
9 following:

10 "Sec. ____ . NEW SECTION. 294A.16A VOCATIONAL
11 AGRICULTURE.

12 A supplemental pay plan that provides for
13 supplementing the costs of vocational agriculture
14 programs may include providing for:

15 1. Teacher salary costs beyond the regular school
16 year for twelve-month contracts for vocational
17 agriculture teachers in order for them to develop and
18 provide summer programs.

19 2. Travel costs of the teachers.

20 3. Supervision costs of the teachers for
21 intracurricular student organizations and
22 associations.

23 4. Costs of coordination of continuing education
24 programs for adult young farmers and agribusiness
25 personnel.

26 5. Replacing and updating vocational education
27 instructional equipment in school districts.

28 6. Revising vocational agriculture curricula to
29 include the instruction of diversified enterprises.

30 7. Developing and implementing additional
31 instructional programs for vocational agriculture.

32 8. Developing curriculum guides that incorporate
33 exploratory and career awareness for vocational
34 agriculture into the educational programs for grades
35 kindergarten through eight."

S-3525

Filed April 13, 1987

BY JOE J. WELSH

Adopted 4/16/87 (p. 1370)

HOUSE FILE 499

S-3531

1 Amend amendment, S-3493, to House File 499 as
2 amended, passed and reprinted, by the House as
3 follows:

4 1. Page 15, by striking lines 7 through 16.

5 2. Page 15, by striking lines 21 through 43.

6 3. Page 16, by striking lines 11 through 26.

S-3531

Filed April 13, 1987

BY EUGENE S. FRAISE

Adopted 4/15/87 (p. 1341)

HOUSE FILE 499

S-3555

Amend amendment, S-3493, to House File 499 as amended, passed and reprinted by the House as follows:

1. Page 4, line 44, by inserting after the word "benefits" the following: "paid outside the general fund limits".

2. Page 25, by striking line 3 and inserting the following:

"291.13 GENERAL AND-SCHOOLHOUSE, CAPITAL PROJECTS, AND LIABILITY".

3. Page 25, line 15, by inserting after the word "certified." the following: "The money collected by the liability levy authorized by the board shall be called the liability fund and may be used only for the purposes for which it is authorized or certified."

4. Page 25, by striking lines 26 and 27 and inserting the following: "the amount of the general fund and-the-schoolhouse, the capital projects fund, and the liability fund held over, received, paid out,".

5. Page 31, line 45, by striking the word "general" and inserting the following: "liability".

6. Page 34, by striking lines 8 through 11 and inserting the following: "section 442.2 or 442.9. Miscellaneous-income-includes-property-tax-levied under-the-provisions-of-section-613A-7, to fund the costs-of-tert-liability-insurance-for-the-school district."

7. Page 34, by striking lines 16 and 17 and inserting the following: "of the general fund of a school district."

8. Page 37, line 2, by inserting after the word "costs" the following: "in excess of any tax limitation imposed by statute".

9. Page 37, line 48, by inserting after the word "section" the following: "in excess of any limitation imposed by statute".

S-3555

Filed April 14, 1987
Adopted 4/15/87 (p. 1537)

BY EDGAR H. HOLDEN
LARRY MURPHY

HOUSE FILE 499

S-3541

1 Amend amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 10, by inserting after line 5 the
5 following:
6 "8. This section does not preclude a school
7 district from sharing certificated instructional
8 personnel with one or more other school districts in
9 order to utilize a modified block schedule for
10 offering classes in the districts without obtaining
11 approval from the department of education and
12 designation as a pilot project."
13 2. Page 11, by inserting after line 42 the
14 following:
15 "This section does not preclude a school district
16 from providing a sabbatical program for its teachers
17 separate from the sabbatical program provided under
18 this section."

S-3541

Filed April 14, 1987

BY RAY TAYLOR

Adopted 4/15/87 (p. 1340)

HOUSE FILE 499

S-3552

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 5, by striking lines 9 and 10 and
5 inserting the following:
6 "____. Page 15, by striking lines 27 through 35
7 and inserting the following: "education agencies is
8 not more than twelve. The plans shall be reported to
9 the general assembly not later than October 1, 1987.
10 The focus of the."
11 2. Page 5, by inserting after before 11 the
12 following:
13 "____. Page 16, by inserting after line 12 the
14 following:
15 "Sec. ____ . Section 256.7, Code 1987, is amended by
16 adding the following new subsection:
17 NEW SUBSECTION. 9. Develop plans to redraw the
18 boundary lines of merged area schools so that the
19 total number of merged area schools does not exceed
20 twelve. The plans shall be reported to the general
21 assembly not later than January 15, 1988."
22 3. Page 14, by striking lines 11 and 12.

S-3552

Filed April 14, 1987

BY RICHARD VARN

LARRY MURPHY

ROBERT M. CARR

Lost 4/15 (p. 1338)

HOUSE FILE 499

S-3558

Amend House File 499 as amended, passed, and reprinted by the House as follows:

1. Page 18, by inserting after line 12 the following:

"Sec. ____ . NEW SECTION. 256.19 POLICY OF STATE CONCERNING VOCATIONAL TRAINING.

It is a policy of this state that the state board of education shall direct that the school districts send students who have not yet graduated from high school and do not intend to attend an institution of higher education to an area school for vocational and technical training. Those students receiving a degree from an area school shall also be granted a high school diploma."

S-3558

Filed April 14, 1987

BY FORREST SCHWENGELS

Loe 4/16 (p. 1371)

HOUSE FILE 499

S-3559

Amend House File 499 as amended, passed, and reprinted by the House as follows:

1. Page 18, by inserting after line 12 the following:

"Sec. ____ . NEW SECTION. 256.20 SUPERINTENDENT EVALUATION.

Not later than July 1, 1988, the department of education shall establish an evaluation system for judging the performance of superintendents of school districts and shall employ consultants to conduct evaluations of all superintendents. The evaluations shall be completed not later than January 1, 1989, and the one hundred ten highest scoring superintendents shall receive accreditation from the department to continue employment as superintendents. School districts in existence on January 1, 1989, shall cooperate in offering contracts to superintendents for the school year commencing July 1, 1989, so that, pursuant to sections 280.15 and 442.39, only the one hundred ten superintendents accredited by the department are employed as superintendents."

S-3559

Filed April 14, 1987

BY FORREST SCHWENGELS

Loe 4/16 (p. 1371)

HOUSE FILE 499

S-3557

1 Amend House File 499, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 18, by inserting after line 12 the
4 following:

5 "Sec. ____ . NEW SECTION. 256.18 POLICY OF STATE
6 CONCERNING COMPLETION OF HIGH SCHOOL.

7 It is the policy of this state that boards of
8 directors of school districts shall adopt policies
9 that encourage students enrolled in their schools to
10 complete the graduation requirements as early as
11 possible. Those students who complete the high school
12 graduation requirements prior to the completion of
13 twelfth grade shall not be required to continue
14 attendance under chapter 299, but shall be assisted in
15 enrolling in postsecondary educational institutions."

S-3557

Filed April 14, 1987

BY FORREST SCHWENGELS

Lost 4/16 (p 137)

HOUSE FILE 499

S-3572

- 1 Amend amendment, S-3493, to House File 499, as
- 2 amended, passed, and reprinted by the House, as
- 3 follows:
- 4 1. By striking page 3, line 39, through page 4,
- 5 line 29.
- 6 2. Page 17, by striking lines 3 through 45.

S-3572

Filed April 14, 1987
Passed 4/15 (p. 1336)

BY JOY CORNING
BEVERLY A. HANNON

HOUSE FILE 499

S-3575

- 1 Amend amendment, S-3493, to House File 499, as
- 2 amended, passed, and reprinted by the House, as
- 3 follows:
- 4 1. Page 1, by striking lines 26 through 31 and
- 5 inserting the following:
- 6 "If the moneys appropriated by the general assembly
- 7 for phase I are either insufficient or moneys remain
- 8 after payments are made for a fiscal year, moneys
- 9 shall be transferred from or added to the moneys
- 10 appropriated by the general assembly for phase III."

S-3575

Filed April 14, 1987
Passed 4/16 (p. 1362)

BY WALLY E. HORN

HOUSE FILE 499

S-3576

- 1 Amend amendment, S-3493, to House File 499 as
- 2 amended, passed, and reprinted by the House, as
- 3 follows:
- 4 1. Page 14, line 25, by striking the words "legal
- 5 services,".

S-3576

Filed April 14, 1987
Adopted 4/15/87 (p. 1340)

BY WALLY E. HORN

SENATE 19
April 15, 1987

HOUSE FILE 499

S-3571

1 Amend amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 22, by inserting after line 41 the
5 following:
6 "_____. Page 26, lines 21 and 22, by striking the
7 words "and each succeeding school year".
8 2. Page 22, by striking lines 42 through 44 and
9 inserting the following:
10 "_____. Page 26, by striking lines 23 through 30
11 and inserting the following: "school district which
12 provides access to fewer than forty-one academic
13 curriculum units may enroll the parent's or guardian's
14 child in a public school in a contiguous school
15 district in the manner provided in this section."
16 3. Page 22, by inserting before line 45 the
17 following:
18 "_____. Page 26, line 31, by striking the word
19 "February" and inserting the following: "January".
20 _____. Page 27, by striking lines 1 through 4 and
21 inserting the following: "a public school in a
22 contiguous school district."
23 4. By striking page 22, line 45 through page 23,
24 line 2.
25 5. Page 23, by inserting after line 10 the
26 following:
27 "_____. Page 27, by striking lines 25 through 29
28 and inserting the following: "the board under chapter
29 290."
30 6. Page 23, line 11, by striking the words and
31 figure "after line 29" and inserting the following:
32 "before line 30".
33 7. Page 38, by inserting after line 48 the
34 following:
35 "_____. Page 36, by striking lines 9 and 10."
36 8. Page 38, line 49, by striking the words and
37 figure "after line 10" and inserting the following:
38 "before line 11".

S-3571

Filed April 14, 1987

BY JOY CORNING

RICHARD J. VARN

Lost 4/15 (p. 1344)

HOUSE FILE 499

S-3573

1 Amend amendment, S-3493, to House File 499 as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 20, by striking lines 26 through 44.

S-3573

Filed April 14, 1987

BY JOY C. CORNING

Lost 4/15 (p. 1241)

S-3579

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 21, lines 3 and 4, by striking the words
5 and figures "paragraphs 2 and 3, Code 1987, are" and
6 inserting the following: "paragraph 2, Code 1987,
7 is".

8 2. Page 21, by striking lines 5 through 7 and in-
9 serting the following:

10 "The board may, with approval of sixty percent of
11 the voters, voting in a regular or special election in
12 the school district, make extended time contracts
13 not".

14 3. Page 21, by striking line 16 and inserting the
15 following: "the voted levy."

16 4. Page 21, by striking lines 17 through 33.

17 5. Page 21, by striking line 45 and inserting the
18 following: "for which a schoolhouse tax for a lease-
19 purchase option has been voted pursuant to".

20 6. Page 21, line 46, by striking the word and
21 figure "~~section-278.1~~" and inserting the following:
22 "section 278.1".

23 7. By striking page 21, line 49 through page 22,
24 line 2 and inserting the following: "not exceeding
25 ten years and not exceeding the period for which the
26 schoolhouse tax for a lease-purchase option has been
27 authorized by the voters."

28 8. Page 24, line 31, by inserting after the word
29 "purposes." the following: "Funds expended by a
30 school district for new construction of a school lunch
31 facility must first be approved by the voters of the
32 district."

33 9. Page 27, lines 7 and 8, by striking the words
34 "or without notice" and inserting the following: "or
35 without-notice the approval of the voters at a regular
36 school election using the procedure specified in
37 section 278.2".

38 10. Page 28, line 29, by striking the words
39 "proceeds of" and inserting the following: "proceeds
40 of amount approved by the voters for anticipation of
41 collection of the tax from".

42 11. Page 31, by striking lines 5 and 6 and
43 inserting the following:

44 "2. Opening roads to schoolhouses or buildings."

45 12. Page 31, line 7, by striking the words
46 "buildings or".

47 13. Page 31, by striking lines 10 through 12.

48 14. Page 31, line 13, by inserting after the word
49 "libraries" the following: "but not library
50 buildings".

1 15. Page 31, line 18, by striking the words
2 "improving, or expanding" and inserting the following:
3 "or improving".

4 16. Page 31, line 26, by inserting after the
5 figure "28E." the following: "Annually, the board
6 must reapprove the rental."

7 17. Page 31, by striking lines 31 and 32.

S-3579

Filed April 14, 1987
Adopted 4/15/87 (p 1342)

BY EDGAR H. HOLDEN
JACK W. HESTER

SENATE 21
April 15, 1987

HOUSE FILE 499

S-3577

1 Amend House File 499, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 15, by inserting after line 9 the
4 following:

5 "Sec. _____. NEW SECTION. 294.21A COLLECTIVE
6 BARGAINING.

7 For the school year beginning July 1, 1987 only,
8 section 20.17, subsection 3, relating to the exemption
9 from chapter 21 and presentation of initial bargaining
10 positions of the public employer and certified
11 bargaining representative for certificated employees,
12 does not apply to collective bargaining for moneys
13 received under phases II and III, and an agreement
14 between the board of directors and the certified
15 bargaining representative for certificated employees
16 need not be ratified by the employees or board."

S-3577

Filed April 14, 1987

BY WALLY E. HORN

(Adopted 4/16/87 (p. 1311))

HOUSE FILE 499

S-3578

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 22, by striking lines 3 through 6 and
5 inserting the following:

6 "_____. Page 23, by striking lines 22 through 34.

7 _____. Page 24, by striking line 9 and inserting
8 the following: "performed. The schedule of bills
9 allowed may be published on a once monthly basis in
10 lieu of publication with the proceedings of each
11 meeting of the board. The list of claims allowed
12 shall include the name of the person or".

13 _____. Page 24, by striking lines 16 through 18 and
14 inserting the following: "weeks following the
15 adjournment of the meeting."

16 _____. Page 24, line 22, by striking the words and
17 figure "sections 279.34 and" and inserting the
18 following: "section".

19 _____. Page 24, line 27, by striking the words and
20 figure "sections 279.34 and" and inserting the fol-
21 lowing: "section".

22 2. Page 39, by inserting after line 2 the fol-
23 lowing:

24 "_____. Page 36, by inserting after line 10 the
25 following:

26 "Sec. _____. Section 279.34, Code 1987, is
27 repealed.""

S-3578

Filed April 14, 1987

BY WALLY E. HORN

(Adopted 4/15/87 (p. 1343))

JOY C. CORNING

HOUSE FILE 499

S-3585

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by inserting after line 8 the fol-
5 lowing:
6 "_____. Page 3, line 21, by striking the figure
7 "1987" and inserting the following: "1988".
8 _____. Page 3, line 25, by striking the figure
9 "1987" and inserting the following: "1988"."
10 2. Page 1, by inserting after line 16 the follow-
11 ing:
12 "_____. Page 4, line 7, by striking the figure
13 "1987" and inserting the following: "1988"."
14 3. Page 1, line 24, by striking the figure "1987"
15 and inserting the following: "1988".
16 4. Page 1, by striking lines 33 through 38 and
17 inserting the following:
18 "_____. Page 5, lines 23 and 24, by striking the
19 words and figures "1987 and July 1, 1988" and
20 inserting the following: "1988, July 1, 1989, and
21 July 1, 1990".
22 _____. Page 6, lines 3 and 4, by striking the words
23 and figures "1987 and July 1, 1988" and inserting the
24 following: "1988, July 1, 1989, and July 1, 1990"."
25 5. Page 1, by inserting after line 38 the follow-
26 ing:
27 "_____. Page 7, by striking lines 10 through 21 and
28 inserting the following: "teachers. Negotiations
29 under this section are subject to section 20.9."
30 _____. By striking page 7, line 25 through page 8,
31 line 12.
32 _____. Page 8, line 14, by striking the figure
33 "1987" and inserting the following: "1988"."

S-3585

Filed April 15, 1987
Placed w/ 4/16 (p. 1263)

BY GEORGE R. KINLEY

HOUSE FILE 499

S-3588

1 Amend House File 499, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 15, by inserting after line 9 the
4 following:
5 "Sec. _____. NEW SECTION. 294A.21A MINIMUM SALARY
6 FOR SUBSTITUTE TEACHERS.
7 In addition to the minimum salary requirements
8 specified in section 294A.5, the minimum daily salary
9 paid to a substitute teacher for the school year
10 beginning July 1, 1987 and succeeding school years is
11 seventy-five dollars."

S-3588

Filed April 15, 1987
(added 4/16/87 (p. 1371))

BY JACK RIFE

S-3580

1 Amend amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 12, line 21, by striking the word "The"
5 and inserting the following: "Effective for
6 certificates issued on or after July 1, 1989, the".

7 2. Page 12, line 32, by inserting after the word
8 "board." the following: "The board may charge
9 applicants an examination fee."

S-3580

Filed April 14, 1987

Adopted 4/15/87 (p. 1340)

BY RICHARD VARN

HOUSE FILE 499

S-3582

1 Amend amendment, S-3493, to House File 499 as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 3, line 10, by striking the word
5 "parents,".

S-3582

Filed April 15, 1987

Placed on 4/16 (p. 1363)

BY LARRY MURPHY

HOUSE FILE 499

S-3583

1 Amend House File 499, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 36, line 11, by striking the figures and
4 word "46, 52 through 55" and inserting the following:
5 "and 46".

6 2. Page 36, line 13, by striking the word
7 "through" and inserting the following: ", 53, and".

S-3583

Filed April 15, 1987

Adopted 4/16/87 (p. 1373)

BY LARRY MURPHY

HOUSE FILE 499

S-3584

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 3, line 25, by inserting after the word
5 "district" the following: "or area education agency".

6 2. Page 39, by striking lines 3 and 4 and in-
7 serting the following:

8 "____. Page 36, by striking lines 15 and 16 and
9 inserting the following: "effective date of those
10 sections. Sections 47 and 60 of this Act take effect
11 for the school year"."

S-3584

Filed April 15, 1987

Placed on 4/16 (p. 1363)

BY LARRY MURPHY

HOUSE FILE 499

S-3586

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 5, by inserting after line 12, the
5 following:

6 "Sec. ____ . Section 256.11, subsections 2, 3 and 4,
7 Code 1987, are amended to read as follows:

8 2. The kindergarten program shall include
9 experiences designed to develop healthy emotional and
10 social habits and growth in the language arts and
11 communication skills; as well as a capacity for the
12 completion of individual tasks; and protection and
13 development of physical well-being for at least a
14 period of time each week, emphasizing the appropriate
15 activities and subject areas required in subsection 6,
16 paragraph "g" for the kindergarten level. A

17 kindergarten teacher shall hold a certificate
18 providing that the holder is qualified to teach in
19 kindergarten. An accredited nonpublic school must
20 meet the requirements of this subsection only if the
21 nonpublic school offers a kindergarten program.

22 3. The following areas shall be taught in the
23 grades one through six: English-language arts,
24 including reading, handwriting, spelling, oral and
25 written English, and literature; social studies,
26 including geography, history of the United States and
27 Iowa, cultures of other peoples and nations, and
28 American citizenship, including the study of national,
29 state, and local government in the United States;
30 mathematics; science, including environmental
31 awareness and conservation of natural resources;
32 health and physical education, ~~including the effects~~
33 ~~of alcohol, tobacco, drugs, and poisons on the human~~
34 ~~body for at least a period of time each week,~~
35 emphasizing the appropriate activities and subject
36 areas required in subsection 6, paragraph "g" for the
37 grade level; the characteristics of communicable
38 diseases; traffic safety, including pedestrian and
39 bicycle safety procedures; music; and art.

40 4. The following shall be taught in grades seven
41 and eight as a minimum program: science, including
42 environmental awareness and conservation of natural
43 resources; mathematics; social studies; cultures of
44 other peoples and nations, and American citizenship;
45 English-language arts which shall include reading,
46 spelling, grammar, oral and written composition, and
47 may include other communication subjects; health and
48 physical education, ~~including the effects of alcohol,~~
49 ~~tobacco, drugs, and poisons on the human body,~~ for at
50 least a period of time each week, emphasizing the

S-3586 pg. 2

1 appropriate activities and subject areas required in
2 subsection 6, paragraph "g", for the grade level, the
3 characteristics of communicable diseases, including
4 venereal diseases and current crucial health issues;
5 music; and art."

6 2. Page 7, by inserting after line 36 the
7 following:

8 "Sec. _____. Section 256.11, subsection 6, paragraph
9 g, Code 1987, is amended by striking the paragraph and
10 inserting in lieu thereof the following:

11 g. All students physically able shall be required
12 to participate in physical education activities during
13 each semester they are enrolled in school. A minimum
14 of one-fourth unit each semester shall be required.
15 Physical education shall include those physical and
16 mental activities that will increase cardiovascular
17 endurance, muscular strength and power, flexibility,
18 weight regulating, improved bone development, improved
19 posture, and constructive use of leisure time. A
20 student shall not be excused from a required physical
21 education course by enrolling in a course or by par-
22 ticipating in an opportunity offered in lieu of
23 physical education which involves written material,
24 oral information, or research relating to physical
25 education, or by participating in physical activity
26 outside of the physical education course."

27 3. Page 7, by inserting before line 37, the
28 following:

29 "Sec. _____. Section 256.11, subsection 6, paragraph
30 j, Code 1987, is amended to read as follows:

31 j. Health education, including an awareness of
32 physical and mental health needs, the effects of
33 alcohol, tobacco, drugs, and poisons on the human
34 body, methods of reducing stress, the characteristics
35 of communicable diseases, including venereal diseases,
36 and current crucial health issues.

S-3586

Filed April 15, 1987

RULED OUT OF ORDER (p. 1339)

BY JIM LIND
LARRY MURPHY
WILLIAM W. DIELEMAN

HOUSE FILE 499

S-3587

1 Amend the amendment, S-3493, to House File 499 as
2 amended, passed, and reprinted by the House, as
3 follows:

-
- 4 1. Page 4, line 45, by striking the word "levy"
5 and inserting the following: "budget".
- 6 2. Page 14, line 50, by striking the word
7 "amount" and inserting the following: "budget".
- 8 3. Page 20, line 11, by striking the word
9 "amount" and inserting the following: "budget".
- 10 4. Page 22, line 2, by striking the word "amount"
11 and inserting the following: "budget".
- 12 5. Page 22, line 37, by striking the word
13 "amount" and inserting the following: "budget".
- 14 6. Page 25, line 6, by striking the word "amount"
15 and inserting the following: "budget".
- 16 7. Page 26, by striking lines 3 and 4, and
17 inserting the following: "such insurance agreement
18 may be levied or budgeted in excess of any tax or
19 budget limitation imposed by statute. For a school".
- 20 8. Page 26, line 5, by striking the words "a tax
21 levied" and inserting the following: "an amount
22 budgeted".
- 23 9. By striking page 26, line 50, through page 28,
24 line 30.
- 25 10. Page 28, line 32, by striking the word
26 "AMOUNT" and inserting the following: "BUDGET".
- 27 11. By striking page 28, line 33 through page 30,
28 line 33 and inserting the following:
29 "The board of directors of a school district shall
30 adopt a budget for the purposes specified in this
31 section and transmit the budget to the appropriate
32 county board of supervisors and city councils pursuant
33 to section 298.6. The amount of the budget shall not
34 exceed the revenue that would be received if a tax
35 levy of eighty-one cents per thousand dollars of
36 assessed valuation were levied on all of the property
37 in the school district. The amount paid pursuant to a
38 loan agreement continued under section 297.35 shall be
39 subtracted when determining the total budget allowed
40 under this section."
- 41 12. Page 30, line 36, by striking the words "from
42 the property tax and income surtax" and inserting the
43 following: "received from the cities and county for
44 the capital projects and equipment budget".
- 45 13. Page 31, line 40, by striking the word "LEVY"
46 and inserting the following: "BUDGET".
- 47 14. Page 31, by striking lines 41 through 44, and
48 inserting the following:
49 "The board of directors of a school district shall
50 adopt a budget for the purposes specified in this

A

—

S-3587 pg. 2

1 section and transmit the budget to the appropriate
2 county board of supervisors and city councils pursuant
3 to section 298.6. The revenue received from the
4 cities and county for the liability budget".

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

7 "Sec. 126A. NEW SECTION. 298.6 LEVIES BY COUNTIES
8 AND CITIES.

9 The board of directors of each school district
10 shall determine the total amount to be raised for the
11 sum of its liability budget and its capital projects
12 and equipment budget under this chapter. It shall
13 determine, on the basis of the percent of the
14 population of the school district residing in the
15 unincorporated area of the county and the percent that
16 resides in each city located wholly or partially
17 within the school district compared to the total
18 population of the school district, the percent of the
19 total cost to be paid by each constituent unit. The
20 county auditor shall transmit a listing of the portion
21 of its budget estimate in dollars to each affected
22 county board of supervisors and city council. The
23 unincorporated part of each county shall be considered
24 as a separate unit. Annually each county board of
25 supervisors shall review the budget estimate for the
26 unincorporated portion of the county and appropriate
27 for school district purposes its share in the county
28 rural services fund budget. Annually each city
29 council shall review the budget estimate for the city
30 and appropriate for school district purposes its share
31 in the city general fund budget. Each city and county
32 shall contribute its share on an equitable basis by
33 population. With approval of a city council, the
34 county treasurer may withhold the city's portion of
35 the taxes collected for a city to meet the city's
36 contribution for school district purposes under this
37 section and deliver a receipt to the city clerk for
38 the amount withheld."

39 16. Page 32, line 14, by striking the word "levy"
40 and inserting the following: "budget".

41 17. Page 32, line 33, by striking the word "levy"
42 and inserting the following: "budget".

43 18. Page 32, by inserting after line 34 the
44 following:

45 "Sec. 139A. Section 531.424, subsection 2, Code
46 1987, is amended by adding the following new lettered
47 paragraph:

48 NEW LETTERED PARAGRAPH. c. For capital projects
49 and equipment and liability purposes of school
50 districts under chapter 298.

587 pg. 3

Sec. 129B. Section 384.12, Code 1987, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 20. A tax sufficient to pay for
4 the capital projects and equipment and liability
5 purposes of school districts." A

6 19. Page 34, line 9, by striking the word "under"
7 and inserting the following: "under".

8 20. Page 34, lines 9 and 10, by striking the word
9 and figures "section 613A-7, 298.3" and inserting the
10 following: "section-613A-7, or amount budgeted". B

11 21. Page 34, line 17, by striking the word "levy"
12 and inserting the following: "budget".

13 22. Page 37, line 3, by striking the word "levy"
14 and inserting the following: "budget".

15 23. Page 37, line 49, by striking the word "levy"
16 and inserting the following: "budget". A

17 24. Page 39, line 1, by inserting before the
18 figure "298.7" the following: "297.36,".

S-3587

Filed April 15, 1987

BY RAY TAYLOR

A - LOST (p 1338)

B - WITHDRAWN (p 1337)

HOUSE FILE 499

S-3589

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. By striking page 22, line 42 through page 23,
5 line 23, and inserting the following:

6 "_____. By striking page 26, line 18 through page
7 28, line 9."

8 2. Page 38, by inserting after line 48 the
9 following:

10 "_____. Page 36, by striking lines 9 and 10."

11 3. Page 38, line 49, by striking the words and
12 figure "after line 10" and inserting the following:
13 "before line 11"."

14 4. Page 39, by striking lines 3 through 7 and
15 inserting the following:

16 "_____. Page 36, by striking lines 15 and 16 and
17 inserting the following: "effective date of those
18 sections.""

S-3589

Filed April 15, 1987

BY JACK RIFE

LOST (p 1343)

HOUSE FILE 499

S-3624

1 Amend amendment S-3493 to House File 499 as
2 amended, passed and reprinted by the House as follows:
3 1. Page 22, by striking lines 3 through 5 and
4 inserting in lieu thereof the following:
5 " . Page 24, by striking lines 3 through 18,
6 and inserting in lieu thereof the following:
7 "The board of directors of each school district
8 shall meet with the media representatives of the
9 communities they serve to develop and implement a
10 communication plan designed to effectively notify the
11 public of all proceedings of each regular, adjourned,
12 or special meeting of the board including major
13 expenditures for salaries and for services performed.
14 The plan shall be approved by the department of
15 education and shall be effective beginning with the
16 school year beginning July 1, 1988. Salaries paid to
17 individuals regularly employed by the district shall
18 only be published annually and the publication shall
19 include the total amount of the annual salary of each
20 employee. Matters discussed in closed session
21 pursuant to section 21.5 shall not be published until
22 the matters are no longer confidential."

S-3624

Filed April 15, 1987

BY JULIA GENTLEMAN

LOST (p. 1343)

HOUSE FILE 499

S-3625

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 12, line 28, by striking the word ", but"
5 and inserting the following: ". If the board
6 administers examinations for subject matter
7 proficiency, it".

S-3625

Filed April 15, 1987

BY RICHARD VARN

ADOPTED (p. 1340)

S-3626

HOUSE FILE 499

1 Amend House File 499 as amended, passed and
2 reprinted by the House as follows:
3 1. By striking page 35, line 29 through page 36,
4 line 8.

S-3626

led April 15, 1987

Adopted 4/16 (p. 1373)

BY PATRICK J. DELUHERY
RAY TAYLOR
JOHN W. JENSEN
WILLIAM W. DIELEMAN

HOUSE FILE 499

593

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. By striking page 32, line 35 through page 33,
5 line 45, and inserting the following:
6 " . By striking page 33, line 4 through page
7 34, line 4.
8 . By striking page 34, line 13 through page
9 35, line 28."
10 2. By striking page 34, line 39 through page 35,
11 line 35.

S-3593

Filed April 15, 1987

BY DALE I. TIEDEN

4/15 4/16 (p. 1360)

HOUSE FILE 499

S-3594

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 3, by striking lines 29 through 33 and
5 inserting the following:
6 " . Page 14, by striking lines 33 and 34 and
7 inserting the following: "program shall be made by
8 the department of revenue and finance on a quarterly
9 basis, and the payments shall be separate from state
10 aid payments made pursuant to sections 442.25 and
11 442.26. For the school year".

S-3594

Filed April 15, 1987

BY LARRY MURPHY

Filed 4/15 4/16 (p. 1363)

HOUSE FILE 499

S-3596

1 Amend House File 499, as amended, passed, and re-
2 printed by the House, as follows:
3 1. Page 15, by inserting before line 18 the
4 following:
5 "Sec. . NEW SECTION. 294A.23 COVERAGE OF
6 STATE TRAINING SCHOOL TEACHERS.
7 The department of education shall allocate moneys
8 from phase II to the department of human services for
9 payments to the classroom teachers employed at the
10 state training school."

S-3596

Filed April 15, 1987

BY RAY TAYLOR

4/15 4/16 (p. 1311)

April 16, 1987

HOUSE FILE 499

S-3590

- 1 Amend amendment, S-3493, to House File 499, as
- 2 amended, passed, and reprinted by the House, as
- 3 follows:
- 4 1. By striking page 13, line 40 through page 14,
- 5 line 9.
- 6 2. Page 14, by striking lines 16 through 36.
- 7 3. By striking page 35, line 38 through page 36,
- 8 line 1.

S-3590

Filed April 15, 1987

BY RAY TAYLOR

LOST (p 1340)

HOUSE FILE 499

S-3591

- 1 Amend the amendment, S-3493, to House File 499, as
- 2 amended, passed, and reprinted by the House, as
- 3 follows:
- 4 1. Page 28, line 42, by inserting after the word
- 5 "the" the following: "income surtax rate shall not
- 6 exceed ten percent of the state income tax. Within
- 7 the limits of the maximum income surtax rate, the".
- 8 2. Page 29, line 8, by inserting after the word
- 9 "election," the following: "within the limits of the
- 10 maximum income surtax rate,".

S-3591

Filed April 15, 1987

BY LARRY MURPHY

ADOPTED (p 1344)

HOUSE FILE 499

S-3592

- 1 Amend amendment, S-3493, to House File 499 as
- 2 amended, passed, and reprinted by the House, as
- 3 follows:
- 4 1. Page 20, line 36, by striking the words "~~or~~
- 5 ~~director's spouse,~~" and inserting the following: ",
- 6 or director's spouse,".
- 7 2. Page 20, line 37, by inserting after the word
- 8 "board" the following: "except that a director's
- 9 spouse may receive compensation directly from the
- 10 school board if the director's spouse is employed by
- 11 the school board on a one-half time or less basis".

S-3592

Filed April 15, 1987

BY RAY TAYLOR

Lost 4/15 (p 1342)

HOUSE FILE 499

S-3598

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

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

6 "____". Page 1, line 9, by striking the word
7 "three" and inserting the following: "two".

8 "____". Page 1, line 10, by inserting after the word
9 "recruitment" the following: "and retention".

10 "____". Page 1, by striking line 11.

11 "____". Page 1, line 12, by striking the figure
12 "III" and inserting the following: "II".

13 2. Page 1, by striking lines 9 through 32 and in-
14 serting the following:

15 "____". By striking page 3, line 12 through page 5,
16 line 16."

17 3. Page 1, by inserting before line 33 the
18 following:

19 "____". Page 5, line 18, by striking the figure
20 "II" and inserting the following: "I".

21 "____". Page 5, line 21, by striking the figure "II"
22 and inserting the following: "I".

23 "____". Page 5, line 22, by striking the figure "II"
24 and inserting the following: "I".

25 4. Page 1, by inserting after line 35 the
26 following:

27 "____". Page 5, line 25, by striking the figure
28 "II" and inserting the following: "I".

29 "____". Page 5, by striking line 26 and inserting
30 the following: "an amount equal to ninety-three
31 dollars and sixty-nine cents".

32 "____". Page 5, line 28, by striking the word
33 "thirty-eight" and inserting the following: "forty-
34 seven".

35 "____". Page 5, line 30, by striking the figure "II"
36 and inserting the following: "I".

37 "____". Page 5, line 32, by striking the figure "II"
38 and inserting the following: "I".

39 "____". Page 6, line 2, by striking the figure "II"
40 and inserting the following: "I".

41 5. Page 1, by inserting after line 38 the follow-
42 ing:

43 "____". Page 6, line 5, by striking the figure "II"
44 and inserting the following: "I".

45 "____". Page 6, by striking line 6 and inserting the
46 following: "amount equal to four dollars and thirty-
47 seven cents multiplied".

48 "____". Page 6, line 8, by striking the word
49 "thirty-eight" and inserting the following: "forty-
50 seven".

S-3598 pg. 2

- 1 _____ . Page 6, line 10, by striking the figure "II"
- 2 and inserting the following: "I".
- 3 _____ . Page 6, line 12, by striking the figure "II"
- 4 and inserting the following: "I".
- 5 _____ . Page 6, line 17, by striking the figure "II"
- 6 and inserting the following: "I".
- 7 _____ . Page 6, line 26, by striking the figure "II"
- 8 and inserting the following: "I".
- 9 _____ . Page 6, line 33, by striking the figure "II"
- 10 and inserting the following: "I".
- 11 _____ . Page 7, line 9, by striking the figure "II"
- 12 and inserting the following: "I".
- 13 _____ . Page 7, line 14, by striking the figure "II"
- 14 and inserting the following: "I".
- 15 _____ . Page 7, line 20, by striking the figure "II"
- 16 and inserting the following: "I".
- 17 _____ . Page 7, line 35, by striking the figure "II"
- 18 and inserting the following: "I".
- 19 _____ . Page 8, line 3, by striking the figure "II"
- 20 and inserting the following: "I".
- 21 _____ . Page 8, line 5, by striking the figure "II"
- 22 and inserting the following: "I".
- 23 _____ . Page 8, line 8, by striking the figure "II"
- 24 and inserting the following: "I".
- 25 _____ . Page 8, line 17, by striking the figure "II"
- 26 and inserting the following: "I".
- 27 _____ . Page 8, line 19, by striking the figure "II"
- 28 and inserting the following: "I".
- 29 _____ . Page 8, line 23, by striking the figure
- 30 "III" and inserting the following: "II".
- 31 _____ . Page 8, line 25, by striking the figure
- 32 "III" and inserting the following: "II".
- 33 6. Page 2, line 18, by striking the figure "III"
- 34 and inserting the following: "II".
- 35 7. Page 2, line 20, by striking the figure "III"
- 36 and inserting the following: "II".
- 37 8. Page 2, line 25, by striking the figure "III"
- 38 and inserting the following: "II".
- 39 9. Page 2, by inserting after line 26 the fol-
- 40 lowing:
- 41 "_____ . Page 9, line 1, by striking the figure
- 42 "III" and inserting the following: "II"."
- 43 10. Page 2, by inserting after line 28 the
- 44 following:
- 45 "_____ . Page 9, line 14, by striking the figure
- 46 "III" and inserting the following: "II"."
- 47 11. Page 2, line 36, by striking the figure "III"
- 48 and inserting the following: "II".
- 49 12. Page 2, line 42, by striking the figure "III"
- 50 and inserting the following: "II".

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- 1 13. Page 2, line 44, by striking the figure "III"
- 2 and inserting the following: "II".
- 3 14. Page 2, by inserting after line 49 the fol-
- 4 lowing:
- 5 "____". Page 9, line 35, by striking the figure
- 6 "III" and inserting the following: "II".
- 7 "____". Page 10, line 16, by striking the figure
- 8 "III" and inserting the following: "II".
- 9 15. Page 3, line 1, by striking the figure "III"
- 10 and inserting the following: "II".
- 11 16. Page 3, by inserting after line 8 the follow-
- 12 ing:
- 13 "____". Page 12, line 29, by striking the figure
- 14 "III" and inserting the following: "II".
- 15 17. Page 3, line 13, by striking the figure "III"
- 16 and inserting the following: "II".
- 17 18. Page 3, by inserting after line 13 the
- 18 following:
- 19 "____". Page 12, line 34, by striking the figure
- 20 "III" and inserting the following: "II".
- 21 19. Page 3, by inserting after line 17 the fol-
- 22 lowing:
- 23 "____". Page 13, line 33, by striking the figure
- 24 "III" and inserting the following: "II".
- 25 20. Page 3, line 22, by striking the figure "III"
- 26 and inserting the following: "II".
- 27 21. Page 3, by inserting after line 28 the
- 28 following:
- 29 "____". Page 14, line 8, by striking the figure
- 30 "III" and inserting the following: "II".
- 31 "____". Page 14, line 22, by striking the figure
- 32 "III" and inserting the following: "II".
- 33 22. Page 3, by inserting after line 37 the
- 34 following:
- 35 "____". Page 15, line 8, by striking the figure
- 36 "III" and inserting the following: "II".
- 37 "____". Page 15, line 9, by striking the words and
- 38 figure "or phase II".

S-3598

Filed April 15, 1987

BY JACK RIFE

Placed c/o 4/16 (g. 1362)

HOUSE FILE 499

S-3595

1 Amend amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 32, line 50, by inserting after the word
5 "for" the following: 'the school year beginning July
6 1, 1989 and".

7 2. Page 33, by striking lines 1 through 3 and
8 inserting the following: "year, the twenty-five
9 percent portion shall be reduced to fifteen percent."

10 3. Page 33, line 8, by inserting after the word
11 "for" the following: "the school year beginning July
12 1, 1989 and"

13 4. Page 33, by striking lines 9 through 12 and
14 inserting the following: "school year, the seventy-
15 five percent portion shall be increased to eighty-five
16 percent."

17 5. Page 33, by striking lines 33 through 37 and
18 inserting the following: "amount. For each of the
19 school years beginning July 1, 1988 and July 1, 1989,
20 the one hundred two percent amount shall be reduced by
21 five-tenths of one percent so that for the school year
22 beginning July 1, 1989 and each succeeding school".

23 6. Page 33, line 39, by inserting after the word
24 "hundred" the following: "one".

S-3595

Filed April 15, 1987
Adopted 4/16/87 (p. 1360)

BY DALE L. TIEDEN
LARRY MURPHY

HOUSE FILE 499

S-3609

1 Amend amendment, S-3493, to House File 499 as
2 amended, passed and reprinted by the House as follows:
3 1. Page 8, by striking lines 14 through 22 and
4 inserting the following: "utilize a modified block
5 schedule. The application shall be received by
6 January 1 of the preceding school year. The state
7 board shall review the applications and notify school
8 districts with approved applications not later than
9 February 15 of the preceding school year. The state
10 board may request that a".

S-3609

Filed April 15, 1987

BY LARRY MURPHY

ADOPTED (p. 1339)

HOUSE FILE 499

S-3610

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 13, by striking lines 33 through 39.

S-3610

Filed April 15, 1987

BY RICHARD VARN

ADOPTED (p. 1340)

LARRY MURPHY

HOUSE FILE 499

S-3611

1 Amend amendment, S-3493, to House File 499 as
2 amended, passed and reprinted by the House as follows:
3 1. Page 3, by inserting after line 8 the
4 following:
5 "____. Page 12, by striking lines 8 through 10 and
6 inserting the following: "education under section
7 294A.16.""

S-3611

Filed April 15, 1987

BY WALLY E. HORN

Placed v/o 4/16 (p. 1363)

JOY C. CORNING

HOUSE FILE 499

S-3605

1 Amend amendment, S-3493, to House File 499 as
2 amended, passed, and reprinted by the House as
3 follows:

4 1. Page 20, by inserting after line 3 the
5 following:

6 Sec. 400. NEW SECTION. 275.57 ATTACHMENT OF
7 DISTRICT.

8 Notwithstanding the procedure prescribed in
9 sections 275.51 through 275.56, if a petition is filed
10 with the board of directors of a school district and
11 it is signed by at least fifty percent of the eligible
12 electors of a portion of the school district
13 requesting that the portion of the school district be
14 dissolved and attached to one or more contiguous
15 school districts, that portion of the school district
16 shall be attached to the contiguous districts named in the
17 petition effective the next following July 1.
18 However, if within forty-five days after the petition
19 is filed with the board of directors, a second
20 petition is filed with the board requesting that an
21 election be held on the proposition to dissolve the
22 portion of the school district, the board shall call a
23 special election to vote on the proposition. The
24 proposition carries if a simple majority of those
25 voting on the proposition at the election votes in
26 favor of the proposition.

27 This section is also applicable to portions of
28 school districts included in petitions filed under
29 section 275.12."

30 2. Page 39, by inserting after line 11 the
31 following:

32 "Sec. ____ . Section 400 of this Act takes effect
33 retroactive to January 1, 1987."

S-3605

Filed April 15, 1987

BY MICHAEL E. GRONSTAL

Lost 4/15 (p. 1341)

HOUSE FILE 499

S-3607

1 Amend House File 499 as amended, passed and
2 reprinted by the House as follows:
3 1. Page 15, by inserting after line 19 the following:
4 "Sec. ____ . NEW SECTION. 1.17 OFFICIAL LANGUAGE.
5 The official language for the state is the English
6 language."

S-3607

Filed April 15, 1987

BY EDGAR H. HOLDEN

Lost 4/16 (p. 1371)

HOUSE FILE 499

S-3618

1 Amend the amendment S-3493 to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, by inserting after line 8 the
5 following:

6 "_____. Page 3, line 16, by striking the words "the
7 minimum salary" and inserting the following: "teacher
8 salaries".

9 _____ . Page 3, by inserting after line 20 the
10 following:

11 "For the school year beginning July 1, 1987, the
12 salary of each full-time teacher whose regular
13 compensation is less than eighteen thousand dollars
14 for that school year shall be increased by ten
15 percent, not exceeding regular compensation of
16 eighteen thousand dollars, in the manner provided in
17 this section and section 294A.6 if moneys are
18 appropriated by the general assembly for phase I."

19 _____ . Page 3, line 21, by striking the figure
20 "1987" and inserting the following: "1988".

21 2. Page 1, by inserting after line 13 the
22 following:

23 "_____. Page 3, line 30, by inserting after the
24 word "supplements" the following: "to increase each
25 eligible teacher's compensation by ten percent not
26 exceeding regular compensation of eighteen thousand
27 dollars".

28 _____ . Page 3, by striking lines 32 and 33 and
29 inserting the following: "total of the amount needed
30 for the salary increase under this section plus the
31 amount required to".

32 _____ . Page 4, line 5, by striking the words "shall
33 be prorated".

34 3. Page 1, by striking lines 17 through 25 and
35 inserting the following:

36 "_____. By striking page 4, line 14, through page
37 5, line 2 and inserting the following: "or area
38 education agency for each succeeding school year.""

39 4. Page 1, by striking lines 33 through 35 and
40 inserting the following:

41 "_____. Page 5, by striking lines 23 through 30 and
42 inserting the following: "teachers. For the fiscal
43 year beginning July 1, 1987, the department of
44 education shall allocate to each school district for
45 the purpose of implementing phase II an amount equal
46 to thirty-seven dollars and ninety-seven cents
47 multiplied by the district's certified enrollment if
48 the general assembly has appropriated sufficient
49 moneys to make those payments for that fiscal year.

50 For the fiscal year beginning July 1, 1988, the

S-3618 pg. 2

1 department of education shall allocate to each school
2 district for phase II an amount equal to seventy-five
3 dollars and ninety-three cents multiplied by the
4 district's certified enrollment if the general
5 assembly has appropriated sufficient moneys to make
6 those payments for that fiscal year. If".

7 5. Page 1, by striking lines 36 through 38 and
8 inserting the following:

9 "_____. Page 6, by striking lines 3 through 10 and
10 inserting the following:

11 "For the fiscal year beginning July 1, 1987 the
12 department shall allocate to each area education
13 agency for the purpose of implementing phase II an
14 amount equal to one dollar and seventy-seven cents
15 multiplied by the enrollment served in the area
16 education agency if the general assembly has
17 appropriated sufficient moneys to make those payments
18 for that fiscal year. For the fiscal year beginning
19 July 1, 1988, the department of education shall
20 allocate to each area education agency for phase II an
21 amount equal to three dollars and fifty-five cents
22 multiplied by the enrollment served by the area
23 education agency if the general assembly has
24 appropriated sufficient moneys to make those payments
25 for that fiscal year. If".

26 6. Page 2, by striking lines 29 through 49 and
27 inserting the following:

28 "_____. Page 9, by striking lines 15 through 25 and
29 inserting the following:

30 "For the school year beginning July 1, 1987 if
31 sufficient moneys have been appropriated for phase III
32 payments, the payments for an approved plan for a
33 school district shall be equal to the product of a
34 district's certified enrollment and forty-nine dollars
35 and thirty-two cents. For fiscal years thereafter, if
36 sufficient moneys have been appropriated for phase III
37 payments for school districts, the payments for an
38 approved plan shall be equal to the product of a
39 district's certified enrollment and ninety-eight
40 dollars and sixty-three cents. For the school year
41 beginning July 1, 1987, if sufficient moneys have been
42 appropriated for phase III payments, the payments for
43 an approved plan for an area education agency shall be
44 equal to the product of an area education agency's
45 enrollment served and two dollars and thirty cents.
46 For fiscal years thereafter, if sufficient moneys have
47 been appropriated for phase III payments for school
48 districts, the payments for an approved plan shall be
49 equal to the product of an area education agency's
50 enrollment served and four dollars and sixty cents.

pg. 3

1 However, the department of education shall".

S-3618

Placed o/p 4/16 (p. 1363)

DAVID M. READINGER RICHARD VANDEHOEF EDGAR H. HOLDEN
RICHARD F. DRAKE NORMAN J. GOODWIN JOHN W. JENSEN

HOUSE FILE 499

S-3616

1 Amend the amendment, S-3493, to House File 499 as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 12, by striking line 32 and inserting the
5 following: "prescribed by the board. The
6 examinations required by this section shall be used as
7 a criteria for issuing an initial teaching certificate
8 only if the state board determines that the
9 examinations are valid and reliable indicators of
10 successful teaching performance for applicants for
11 initial certificates under this chapter."
12 2. Page 13, by inserting after line 32 the
13 following:
14 " . Page 20, line 21, by striking the word
15 "shall" and inserting the following: "may be required
16 to".
17 3. Page 14, by striking line 10, and inserting
18 the following:
19 " . Page 20, by striking lines 31 through 34
20 and inserting the following:
21 "Nothing in this chapter shall be construed to
22 prohibit a pupil from enrolling in a course at an
23 eligible postsecondary institution at the expense of
24 the pupil or the pupil's parent or guardian. The
25 board of directors of a school district shall not
26 prohibit a pupil from enrolling in a course at an
27 eligible postsecondary institution when expenses for
28 the course, including tuition, transportation costs,
29 expenses for textbooks and materials, and other fees,
30 are paid by the pupil or the pupil's parent or
31 guardian."

S-3616

Filed April 15, 1987
WITHDRAWN (p. 1340)

BY RICHARD VARN

HOUSE FILE 499

S-3617

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by striking lines 21 through 25 and
5 inserting the following: "payments. For school years
6 after the school year beginning July 1, 1987, if
7 school district or area education agency reduces the
8 number of its full-time equivalent teachers below the
9 number employed during the school year beginning July
10 1, 1987, the department of revenue and finance shall
11 pay each school district and area education agency a
12 total minimum salary supplement equal to the ratio of
13 the number of full-time equivalent teachers employed
14 in the school district or area education agency for
15 that school year divided by the number of full-time
16 equivalent teachers employed in the school district or
17 area education agency for the school year beginning
18 July 1, 1987 and multiplying that fraction by the
19 total minimum salary supplement paid to that school
20 district or area education agency for the school year
21 beginning July 1, 1987."

S-3617

Filed April 15, 1987

Placed in file 4/16
(p 1363)

BY JOE J. WELSH

SENATE 21
April 16, 1987

HOUSE FILE 499

S-3612

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 3, by inserting after line 17 the
5 following:
6 " _____. Page 13, by striking lines 25 and 26 and
7 inserting the following:
8 "A plan adopted by the board of directors of a
9 school district or area education agency shall be sub-
10 mitted to the department of"."

S-3612

Filed April 15, 1987

Class 4/16 (p. 1363)

BY WALLY E. HORN
JOY C. CORNING

HOUSE FILE 499

S-3613

1 Amend House File 499 as amended, passed and
2 reprinted by the House, as follows:
3 1. Page 33, by inserting after line 3 the
4 following:
5 "Sec. _____. Section 442.4, Code 1987, is amended by
6 adding the following new subsection:
7 NEW SUBSECTION. 3A. If the number of pupils in
8 basic enrollment for the budget year is fewer than
9 four pupils per square mile in the school district, as
10 determined by the department of management, the
11 department of management shall assign an additional
12 weighting of one-tenth for each pupil in basic
13 enrollment for the budget year."
14 2. Page 34, line 11, by inserting after the
15 figure "280.4," the following: "the additional
16 weighting for sparcity of pupils in subsection 3A,".

S-3613

Filed April 15, 1987

Post 4/16 (p. 1372)
DONALD E. GETTINGS
FORREST SCHWENGELS

BY BEVERLY A. HANNON
JOHN W. JENSEN
JAMES R. RIORDAN
EUGENE S. FRAISE

HOUSE FILE 499

623

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 15, by striking line 10 and inserting the
5 following: "a, Code 1987, is amended to read as
6 follows:

7 5. The petition may also include a provision that
8 ~~the schoolhouse-tax-provided-in-section-278-17-subsec-~~
9 ~~tion-7, imposition of the capital projects and equip-~~
10 ~~ment levy will be voted upon at the election conducted~~
11 ~~under section 275.18."~~

12 2. Page 16, by striking lines 3 through 6 and
13 inserting the following: "corporation and the propo-
14 sition to ~~levy-the-schoolhouse-tax-under-section~~
15 ~~278-17-subsection-7, impose the capital projects and~~
16 ~~equipment amount under section 298.2 if the petition~~
17 ~~included a provision for a vote to levy-the~~
18 ~~schoolhouse-tax impose the capital projects and~~
19 ~~equipment amount. If a proposition receives a".~~

20 3. Page 20, line 24, by striking the word "or"
21 and inserting the following: "the imposition of the
22 capital projects and equipment amount or".

23 4. Page 27, by striking lines 4 through 6 and in-
24 sserting the following: "the schoolhouse-tax capital
25 projects and equipment amount which has been approved
26 by the voters as provided in section-278-17-subsection
27 7".

28 5. Page 27, by striking lines 9 through 11 and
29 inserting the following: "agreements in
30 anticipation".

31 6. Page 27, by striking lines 17 and 18 and in-
32 sserting the following: "within the limits of the tax
33 amount approved by the voters under section 298.2 to
34 pay for the".

35 7. Page 27, line 32, by striking the words "by
36 ~~the-voters"~~ and inserting the following: "by the
37 voters".

38 8. Page 28, by striking lines 34 and 35 and
39 inserting the following: "submit the proposition of
40 raising a capital projects and equipment amount to the
41 voters at a regular school election, or upon receipt
42 of a petition signed by twenty-five eligible electors
43 in a district having a population of five thousand or
44 less and fifty eligible electors in any other district
45 shall submit the proposition to the voters. The
46 capital projects and equipment amount shall not exceed
47 the amount that could".

48 9. By striking page 28, line 49 through page 29,
line 13, and inserting the following:

"The proposition may include a".

S-3623 pg. 2

1 10. Page 29, lines 22 and 23, by striking the
2 words "decision of the board" and inserting the
3 following: "proposition approved by the voters".

S-3623

Filed April 15, 1987

BY JOHN W. JENSEN

RULED OUT OF ORDER (p. 1341)

JACK W. HESTER

HOUSE FILE 499

S-3619

1 Amend amendment S-3493 to House File 499 as
2 amended, passed and reprinted by the House as follows:
3 1. Page 22, after line 5 by inserting the following:
4 " . Page 24 by inserting after line 25 the
5 following:
6 "However, if the number of copies of a school
7 newsletter mailed to residents in the school district
8 exceeds the number of school district resident
9 subscribers to a newspaper published in the district,
10 publication of the information required in sections
11 279.34 and 279.35 in a school district newsletter
12 satisfies the requirements of sections 279.34 and
13 279.35.""

S-3619

Filed April 15, 1987

BY JOHN W. JENSEN

RULED OUT OF ORDER (p. 1343)

HOUSE FILE 499

S-3620

1 Amend amendment, S-3493, to House File 499 as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 29, line 3, by inserting after the word
5 "board," the following: "or on the board's own
6 motion,".
7 2. Page 29, line 3, by inserting after the word
8 "proposal" the following: "to raise the capital
9 projects and equipment amount".
10 3. Page 34, by striking lines 8 through 11 and
11 inserting the following: "section 442.2 or 442.9.
12 ~~Miscellaneous-income-includes-property-tax-levied~~
13 ~~under-the-provisions-of-section-613A-77-to-fund-the~~
14 ~~costs-of-tort-liability-insurance-for-the-school~~
15 ~~district."~~
16 4. Page 34, by striking line 27 and inserting the
17 following: "278 and for major-building-repairs-as
18 defined-in".
19 5. Page 34, line 28, by striking the words and
20 figure "section 297.5 298.2" and inserting the
21 following: "section-297.5, and for the purposes
22 listed in section 298.2, subsections 2, 3, 4, and 7".

S-3620

Filed April 15, 1987

BY RICHARD VARN

A - ADOPTED

B - WITHDRAWN

C - ADOPTED (p. 1344)

HOUSE FILE 499

3630

1 Amend the amendment, S-3493, to House File 499 as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 12, by inserting after line 32 the
5 following:

6 "The examinations required by this section shall be
7 used as a criteria for issuing an initial teaching
8 certificate only if the state board determines that
9 the examinations are valid and reliable indicators of
10 successful teaching performance for applicants for
11 initial certificates under this chapter."

12 2. Page 13, by inserting after line 32 the
13 following:

14 "____. Page 20, line 21, by striking the word
15 "shall" and inserting the following: "may be required
16 to"."

17 3. Page 14, by striking line 10, and inserting
18 the following:

19 "____. Page 20, by striking lines 31 through 34
20 and inserting the following:

21 "Nothing in this chapter shall be construed to
22 prohibit a pupil from enrolling in a course at an
23 eligible postsecondary institution at the expense of
24 the pupil or the pupil's parent or guardian. The
25 board of directors of a school district shall not
26 prohibit a pupil from enrolling in a course at an
27 eligible postsecondary institution when expenses for
28 the course, including tuition, transportation costs,
29 expenses for textbooks and materials, and other fees,
30 are paid by the pupil or the pupil's parent or
31 guardian."

S-3630

Filed April 15, 1987

BY RICHARD VARN

Adopted 4/16 (p. 1361)

HOUSE FILE 499

S-3631

1 Amend amendment S-3493 to House File 499 as
2 amended, passed and reprinted by the House as follows:
3 1. Page 22, by inserting before line 7 the following:

4 "____. Page 24, by inserting before line 19 the
5 following:

6 "However, if the number of copies of a school
7 newsletter mailed to residents in the school district
8 exceeds the number of school district resident
9 subscribers to a newspaper published in the district,
10 publication of the information required in sections
11 279.34 and 279.35 in a school district newsletter
12 satisfies the requirements of sections 279.34 and
13 279.35."

S-3631

Filed April 15, 1987

BY JOHN W. JENSEN

Done 4/16 (p. 1362)

HOUSE FILE 499

S-3627

- 1 Amend amendment S-3493 to House File 499 as
- 2 amended, passed and reprinted by the House as follows:
- 3 1. Page 12, line 24, by striking the word "may"
- 4 and inserting in lieu thereof the word "shall".

S-3627

Filed April 15, 1987

BY RAY TAYLOR

Load 4/16 (p. 1361)

HOUSE FILE 499

S-3629

- 1 Amend amendment S-3493 to House File 499 as amended,
- 2 passed and reprinted by the House as follows;
- 3 1. Page 10, by striking line 45 through page 11,
- 4 line 42.

S-3629

Filed April 15, 1987

BY EDGAR H. HOLDEN

Load 4/16 (p. 1361)

JULIA GENTLEMAN

HOUSE FILE 499

A
S-3632

1 Amend House File 499 as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 2, line 1, by striking the words and
4 figure "and July 1, 1988" and inserting the following:
5 ", July 1, 1988, and July 1, 1989".

6 2. Page 2, line 7, by striking the words and
7 figure "and July 1, 1988" and inserting the following:
8 ", July 1, 1988, and July 1, 1989".

9 3. Page 3, by striking lines 7 through 9 and
10 inserting the following:

11 "If moneys are appropriated by the general assembly
12 to the fund for distribution under this chapter the
13 moneys shall be allocated by the department so that
14 nine and twenty-three hundredths percent of the moneys
15 appropriated are distributed for phase I, thirty-nine
16 and forty-nine hundredths percent are distributed for
17 phase II, and fifty-one and twenty-eight hundredths
18 percent are distributed for phase III."

19 4. Page 3, lines 23 and 24, by striking the words
20 "eighteen thousand dollars" and inserting the
21 following: "determined based upon the moneys
22 allocated for phase I and the regular compensation of
23 teachers for that school year."

24 5. Page 3, line 27, by inserting after the word
25 "education" the following: "by the third Friday in
26 September".

27 6. Page 3, line 29, by striking the words
28 "eighteen thousand dollars" and inserting the
29 following: "the minimum annual salary".

30 7. Page 3, line 30, by inserting after the word
31 "year" the following: "for that year".

32 8. Page 3, line 32, by striking the words
33 "eighteen thousand dollars" and inserting the
34 following: "the minimum annual salary".

35 9. By striking page 4, line 10 through page 5,
36 line 6, and inserting the following: "each school
37 district and area education agency under phase I and
38 the department of revenue and finance shall make the
39 payments. For succeeding school years if sufficient
40 moneys are appropriated to the fund, the amount of the
41 total minimum salary supplement shall be equal to the
42 amount paid for the school year beginning July 1, 1987
43 and it shall be used to increase teacher salaries."

44 10. Page 5, by striking lines 7 through 14.

45 11. By striking page 5, line 23 through page 6,
46 line 2, and inserting the following: "teachers.
47 Annually, the department of education shall allocate
48 to school districts for the purpose of implementing
49 phase II ninety-five and twelve hundredths percent of
50 the total phase II allocation determined under section

S-3632 pg. 2

1 294A.3. Annually, the department shall divide the
2 total certified enrollment in the state into the
3 school districts' portion of the phase II allocation
4 to determine a phase II per pupil amount for school
5 districts. Each school district shall receive for
6 phase II the phase II per pupil amount multiplied by
7 the district's certified enrollment."

8 12. Page 6, by striking lines 3 through 17 and
9 inserting the following:

10 "Annually the department of education shall
11 allocate to area education agencies for the purpose of
12 implementing phase II four and eighty-eight hundredths
13 percent of the total phase II allocation determined
14 under section 294A.3. Annually, the department shall
15 divide the total enrollment served in the state into
16 the area education agencies' portion of the phase II
17 allocation to determine a phase II per pupil amount
18 for area education agencies. Each area education
19 agency shall receive for phase II the phase II per
20 pupil amount multiplied by the area education agency's
21 enrollment served.

22 13. Page 7, by striking line 34 and inserting the
23 following: "equal to or more than the minimum salary
24 for phase I will".

25 14. Page 8, line 27, by striking the words "and
26 to promote student achievement".

27 15. Page 8, by inserting after line 31 the
28 following:

29 "It is the intent of the general assembly that
30 school districts and area education agencies
31 incorporate into their planning for performance-based
32 pay plans and supplemental pay plans, implementation
33 of recommendations from recently issued national and
34 state reports relating to the requirements of the
35 educational system for meeting future educational
36 needs, especially as they relate to the preparation,
37 working conditions, and responsibilities of teachers,
38 including but not limited to assistance to new
39 teachers, development of teachers as instructional
40 leaders in their schools and school districts, using
41 teachers for evaluation and diagnosis of other
42 teachers' techniques, and the implementation of
43 sabbatical leaves.

44 It is the intent of the general assembly that as
45 more stringent or additional teaching certification
46 standards or other educational requirements affecting
47 teacher compensation are mandated in response to
48 recommendations made in various national and state
49 reports relating to education and teaching in the
50 nation and in this state, the cost of meeting these

S-3632 pg. 3

1 requirements shall be borne by the districts and area
2 education agencies themselves and state financial
A 3 assistance will be provided only pursuant to an
4 approved phase III plan. Renewal of school districts'
5 and area education agencies' initial allocations of
6 phase III moneys may be affected in subsequent years
7 by implementation of increased or additional
8 standards."

9 16. Page 9, by striking lines 3 through 13 and
10 inserting the following: "combination of the two."

11 17. Page 9, by striking lines 15 through 30 and
12 inserting the following:

13 "Annually, the department of education shall
14 determine the payments for an approved plan for each
15 school district and area education agency. Ninety-
16 five and twelve hundredths percent of the total phase
17 III allocation determined under section 294A.3 shall
18 be allocated to school districts and four and eighty-
19 eight hundredths percent shall be allocated to area
20 education agencies. Annually the department shall
21 determine a phase III per pupil amount for school
22 districts and a phase III per pupil amount for area
23 education agencies based upon the phase III allocation
24 for each in the same manner as the phase II per pupil
25 amounts were determined. The total amount paid for
26 phase III for a school year for each school district
27 that has an approved plan is equal to the phase III
28 per pupil amount for school districts multiplied by
29 the district's certified enrollment. The total amount
30 paid for phase III for a school year for each area
31 education agency that has an approved plan is equal to
32 the phase III per pupil amount for area education
33 agencies multiplied by the area education agency's
34 enrollment served.

35 18. Page 10, line 17, by inserting after the word
36 "district" the following: ", except that phase III
37 moneys may be used to employ substitute teachers,
38 part-time teachers, and other employees needed to
39 implement plans that provide innovative staffing
40 patterns or that require that a teacher employed on a
41 full-time basis be absent from the classroom for
42 specified periods for fulfilling other instructional
43 duties".

β 44 19. Page 12, line 31, by striking the words
45 "parents, students,".

46 20. Page 12, line 33, by inserting after the word
47 "proposal" the following: "for distribution of phase
48 III moneys to be submitted to the board of directors".

49 21. Page 13, by striking lines 8 and 9 and in-
50 serting the following: "area education agency for

S-3632 pg. 4

1 consideration by the board in developing a plan. For
2 the school year beginning July".

3 22. Page 14, line 7, by inserting after the word
4 "agency" the following: "for the school year
5 beginning July 1, 1987".

6 23. Page 14, line 7, by inserting after the word
7 "an" the following: "approved phase III plan that are
8 not expended for that school year shall not revert to
9 the general fund of the state but may be expended by
10 that school district during the school year beginning
11 July 1, 1988. For school years thereafter, moneys
12 allocated to a school district or area education
13 agency for an".

14 24. Page 14, line 22, by striking the words and
15 figure "for phase III" and inserting the following:
16 "and allocated to phase III under section 294A.3".

17 25. Page 14, line 33, by inserting after the word
18 "finance" the following: "on a quarterly basis and
19 may be made".

20 26. Page 14, line 34, by inserting after the
21 figure "442.26." the following: "For the school year
22 beginning July 1, 1987, the first quarterly payment
23 shall be made not later than October 15, 1987 taking
24 into consideration the relative budget and cash
25 position of the state resources."

26 27. Page 15, by striking lines 10 through 17.

S-3632

Filed April 15, 1987

BY RICHARD VARN
LARRY MURPHY

A - Adopted 4/16/87 (p. 1365)

B - Adopted as amended by 3636 (1365)

C - Adopted as amended by 3634, 3635,
3637, 3640, 3673 4/16 (p. 1370)

Motion to Reconsider (p. 1372)

Reconsider, amended by 3678 - Adopted (p. 1374)

HOUSE FILE 499

S-3634

1 Amend the amendment, S-3632, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 4, by striking lines 17 through 21 and
5 inserting the following:
6 "_____. Page 14, by striking lines 33 and 34 and
7 inserting the following: "program shall be made by
8 the department of revenue and finance on a quarterly
9 basis, and the payments shall be separate from state
10 aid payments made pursuant to sections 442.25 and
11 442.26. For the school year".

S-3634

Filed April 15, 1987
Adopted 4/16/87 (p. 1369)

BY LARRY MURPHY

HOUSE FILE 499

S-3635

1 Amend amendment, S-3632, to House File 499 as
2 amended, passed and reprinted by the House as follows:
3 1. Page 3, by inserting after line 43 the
4 following:
5 "_____. Page 12, by striking lines 8 through 10 and
6 inserting the following: "education under section
7 294A.16.""

S-3635

Filed April 15, 1987
Adopted 4/16/87 (p. 1369)

BY WALLY E. HORN
JOY C. CORNING

HOUSE FILE 499

S-3636

1 Amend amendment, S-3632, to House File 499 as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 3, line 45, by striking the word
5 "parents,".

S-3636

Filed April 15, 1987
Adopted 4/16/87 (p. 1365)

BY LARRY MURPHY

S-3633

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 15, by striking line 20 and inserting the
5 following: "1987, is amended to read as follows:

6 5. The petition may also include a provision that
7 ~~the schoolhouse-tax-provided-in-section-278-17-subsec-~~
8 ~~tion-77~~ imposition of the capital projects and equip-
9 ment amount will be voted upon at the election
10 conducted under section 275.18."

11 2. Page 16, by striking lines 3 through 6 and
12 inserting the following: "corporation and the propo-
13 sition to ~~levy-the-schoolhouse-tax-under-section~~
14 ~~278-17-subsection-77~~ impose the capital projects and
15 equipment amount under section 298.2 if the petition
16 included a provision for a vote to ~~levy-the~~
17 schoolhouse-tax ~~impose the capital projects and~~
18 equipment amount. If a proposition receives a".

19 3. Page 20, line 24, by striking the word "or"
20 and inserting the following: "the imposition of the
21 capital projects and equipment amount or".

22 4. Page 27, by striking lines 4 through 6 and in-
23 serting the following: "the schoolhouse-tax capital
24 projects and equipment amount which has been approved
25 by the voters as provided in section-278-17-subsection
26 7".

27 5. Page 27, by striking lines 9 through 11 and
28 inserting the following: "agreements in
29 anticipation".

30 6. Page 27, by striking lines 17 and 18 and in-
31 serting the following: "within the limits of the tax
32 amount approved by the voters under section 298.2 to
33 pay for the".

34 7. Page 27, line 32, by striking the words "by
35 ~~the-voters~~" and inserting the following: "by the
36 voters".

37 8. Page 28, by striking lines 34 and 35 and
38 inserting the following: "submit the proposition of
39 raising a capital projects and equipment amount to the
40 voters at a regular school election, or upon receipt
41 of a petition signed by twenty-five eligible electors
42 in a district having a population of five thousand or
43 less and fifty eligible electors in any other district
44 shall submit the proposition to the voters. The
45 capital projects and equipment amount shall not exceed
46 the amount that could".

47 9. By striking page 28, line 49 through page 29,
48 line 13, and inserting the following:

49 "The proposition may include a".

50 10. Page 29, lines 22 and 23, by striking the

S-3633 pg. 2

1 words "decision of the board" and inserting the
2 following: "proposition approved by the voters".

S-3633

Filed April 15, 1987

4/15 4/16 (7 1362)

BY JOHN W. JENSEN

JACK W. HESTER

SENATE 41
April 16, 1987

HOUSE FILE 499

S-3639

1 Amend the amendment, S-3493, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 39, by striking lines 3 and 4 and in-
5 serting the following:
6 "____. Page 36, by striking lines 15 and 16 and
7 inserting the following: "effective date of those
8 sections. Sections 47 and 60 of this Act take effect
9 for the school year"."

S-3639

Filed April 15, 1987

BY LARRY MURPHY

Adopted 4/16/87 (p. 1362)

HOUSE FILE 499

S-3640

1 Amend the amendment, S-3632, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 4, line 10, by inserting after the word
5 "district" the following: "or area education agency".

S-3640

Filed April 15, 1987

BY LARRY MURPHY

Adopted 4/16/87 (p. 1369)

HOUSE FILE 499

S-3637

1 Amend the amendment, S-3632, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by striking lines 39 through 43 and
5 inserting the following: "payments. For school years
6 after the school year beginning July 1, 1987, if a
7 school district or area education agency reduces the
8 number of its full-time equivalent teachers below the
9 number employed during the school year beginning July
10 1, 1987, the department of revenue and finance shall
11 reduce the total minimum salary supplement payable to
12 that school district or area education agency so that
13 the amount paid is equal to the ratio of the number of
14 full-time equivalent teachers employed in the school
15 district or area education agency for that school year
16 divided by the number of full-time equivalent teachers
17 employed in the school district or area education
18 agency for the school year beginning July 1, 1987 and
19 multiplying that fraction by the total minimum salary
20 supplement paid to that school district or area
21 education agency for the school year beginning July 1,
22 1987."

S-3637

Filed April 15, 1987

BY JOE J. WELSH

Adopted 4/16/87 (p. 1369)

HOUSE FILE 499

S-3638

1 Amend House File 499, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 13, by striking lines 25 and 26 and
4 inserting the following:
5 "A plan adopted by the board of directors of a
6 school district or area education agency shall be sub-
7 mitted to the department of".

S-3638

Filed April 15, 1987

BY WALLY E. HORN
JOY C. CORNING

Adopted 4/16/87 (p. 1371)

April 16, 1987

HOUSE FILE 499

S-3642

- A
- 1 Amend the amendment, S-3632, to House File 499, as
 - 2 amended, passed, and reprinted by the House, as
 - 3 follows:
 - 4 1. Page 1, by inserting after line 2 the follow-
 - 5 ing:
 - 6 "___". Page 1, line 9, by striking the word
 - 7 "three" and inserting the following: "two".
 - 8 ___ . Page 1, line 10, by inserting after the word
 - 9 "recruitment" the following: "and retention".
 - 10 ___ . Page 1, by striking line 11.
 - 11 ___ . Page 1, line 12, by striking the figure
 - 12 "III" and inserting the following: "II".
 - 13 2. Page 1, by striking lines 9 through 44 and in-
 - 14 serting the following:
 - 15 "___". By striking page 3, line 12 through page 5,
 - 16 line 16."
 - 17 3. Page 1, by inserting after line 44 the follow-
 - 18 ing:
 - 19 "___". Page 5, line 18, by striking the figure
 - 20 "II" and inserting the following: "I".
 - 21 ___ . Page 5, line 21, by striking the figure "II"
 - 22 and inserting the following: "I".
 - 23 ___ . Page 5, line 22, by striking the figure "II"
 - 24 and inserting the following: "I".
 - 25 4. Page 1, line 49, by striking the figure "II"
 - 26 and inserting the following: "I".
 - 27 5. Page 1, line 50, by striking the figure "II"
 - 28 and inserting the following: "I".
 - 29 6. Page 2, line 3, by striking the figure "II"
 - 30 and inserting the following: "I".
 - 31 7. Page 2, by striking line 6 and inserting the
 - 32 following: "phase I the phase I per pupil amount
 - 33 multiplied by".
 - 34 8. Page 2, line 12, by striking the figure "II"
 - 35 and inserting the following: "I".
 - 36 9. Page 2, line 13, by striking the figure "II"
 - 37 and inserting the following: "I".
 - 38 10. Page 2, line 16, by striking the figure "II"
 - 39 and inserting the following: "I".
 - 40 11. Page 2, line 17, by striking the figure "II"
 - 41 and inserting the following: "I".
 - 42 12. Page 2, by striking line 19 and inserting the
 - 43 following: "agency shall receive for phase I the
 - 44 phase I per".
 - 45 13. Page 2, by inserting after line 21 the
 - 46 following:
 - 47 "___". Page 6, line 26, by striking the figure
 - 48 "II" and inserting the following: "I".
 - 49 ___ . Page 6, line 33, by striking the figure "II"
 - 50 and inserting the following: "I".

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- 1 Page 7, line 9, by striking the figure "II"
2 and inserting the following: "I".
3 Page 7, line 14, by striking the figure "II"
4 and inserting the following: "I".
5 Page 7, line 20, by striking the figure "II"
6 and inserting the following: "I".
7 14. Page 2, by striking lines 22 through 24 and
8 inserting the following:
9 " By striking page 7, line 33 through page 8,
10 line 4, and inserting the following:
11 "1. All full-time teachers shall receive an equal
12 amount from the phase I allocation."
13 15. Page 2, by inserting before line 25 the
14 following:
15 " Page 8, line 5, by striking the figure "II"
16 and inserting the following: "I".
17 Page 8, line 8, by striking the figure "II"
18 and inserting the following: "I".
19 Page 8, line 17, by striking the figure "II"
20 and inserting the following: "I".
21 Page 8, line 19, by striking the figure "II"
22 and inserting the following: "I".
23 Page 8, line 23, by striking the figure
24 "III" and inserting the following: "II".
25 Page 8, line 25, by striking the figure
26 "III" and inserting the following: "II".
27 16. Page 3, line 4, by striking the figure "III"
28 and inserting the following: "II".
29 17. Page 3, line 6, by striking the figure "III"
30 and inserting the following: "II".
31 18. Page 3, by inserting after line 8 the fol-
32 lowing:
33 " Page 9, line 1, by striking the figure
34 "III" and inserting the following: "II".
35 19. Page 3, by inserting after line 10 the
36 following:
37 " Page 9, line 14, by striking the figure
38 "III" and inserting the following: "II".
39 20. Page 3, line 17, by striking the figure "III"
40 and inserting the following: "II".
41 21. Page 3, line 21, by striking the figure "III"
42 and inserting the following: "II".
43 22. Page 3, line 22, by striking the figure "III"
44 and inserting the following: "II".
45 23. Page 3, line 23, by striking the figure "III"
46 and inserting the following: "II".
47 24. Page 3, line 24, by striking the figure "II"
48 and inserting the following: "I".
49 25. Page 3, line 26, by striking the figure "III"
50 and inserting the following: "II".

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- 1 26. Page 3, line 27, by striking the figure "III"
2 and inserting the following: "II".
A 3 27. Page 3, line 30, by striking the figure "III"
4 and inserting the following: "II".
5 28. Page 3, line 32, by striking the figure "III"
6 and inserting the following: "II".
7 29. Page 3, by inserting after line 34 the fol-
8 lowing:
9 "____". Page 10, line 16, by striking the figure
10 "III" and inserting the following: "II".
11 30. Page 3, line 36, by striking the figure "III"
12 and inserting the following: "II".
13 31. Page 3, by inserting after line 43 the
14 following:
15 "____". Page 12, line 29, by striking the figure
16 "III" and inserting the following: "II".
17 32. Page 3, by inserting after line 48 the
18 following:
19 "____". Page 12, line 34, by striking the figure
20 "III" and inserting the following: "II".
21 33. Page 4, by inserting after line 2 the fol-
22 lowing:
23 "____". Page 13, line 33, by striking the figure
24 "III" and inserting the following: "II".
25 34. Page 4, line 7, by striking the figure "III"
26 and inserting the following: "II".
27 35. Page 4, by inserting after line 13 the
28 following:
29 "____". Page 14, line 8, by striking the figure
30 "III" and inserting the following: "II".
31 36. Page 4, line 16, by striking the figure "III"
32 and inserting the following: "II".
33 37. Page 4, by inserting after line 25 the
34 following:
35 "____". Page 15, line 8, by striking the figure
36 "III" and inserting the following: "II".
37 _____. Page 15, line 9, by striking the words and
38 figure "or phase II".

S-3642

Filed April 15, 1987

BY JACK RIFE

Law 4/16 (p. 1364)

HOUSE FILE 499

S-3641

1 Amend the amendment, S-3632, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by inserting after line 18 the fol-
5 lowing:
6 "____". Page 3, line 21, by striking the figure
7 "1987" and inserting the following: "1988".
8 2. Page 1, by inserting after line 23 the
9 following:
10 "____". Page 3, line 25, by striking the figure
11 "1987" and inserting the following: "1988".
12 3. Page 1, by inserting after line 34 the follow-
13 ing:
14 "____". Page 4, line 7, by striking the figure
15 "1987" and inserting the following: "1988".
16 4. Page 1, line 42, by striking the figure "1987"
17 and inserting the following: "1988".
18 5. Page 2, by inserting after line 21 the follow-
19 ing:
20 "____". Page 7, by striking lines 10 through 21 and
21 inserting the following: "teachers. Negotiations
22 under this section are subject to section 20.9."
23 6. Page 2, by striking lines 22 through 24 and
24 inserting the following:
25 "____". By striking page 7, line 25 through page 8,
26 line 12.
27 "____". Page 8, line 14, by striking the figure
28 "1987" and inserting the following: "1988".

S-3641

Filed April 15, 1987

BY GEORGE R. KINLEY

Done 4/16 (g. 1369)

HOUSE FILE 499

355

1 Amend the amendment, S-3632, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, by inserting after line 8 the
5 following:

6 "_____. Page 3, line 16, by striking the words "the
7 minimum salary" and inserting the following: "teacher
8 salaries".

9 _____ . Page 3, by inserting after line 20 the
10 following:

11 "For the school year beginning July 1, 1987, the
12 salary of each full-time teacher whose regular
13 compensation is less than a minimum annual salary
14 determined based upon the moneys allocated for phase I
15 for that school year shall be increased by a uniform
16 percent, not exceeding regular compensation equal to
17 the minimum annual salary, in the manner provided in
18 this section and section 294A.6."

19 _____ . Page 3, line 21, by striking the figure
20 "1987" and inserting the following: "1988".

21 2. Page 1, by striking lines 19 through 23 and
22 inserting the following:

23 "_____. Page 3, by striking lines 22 through 24, and
24 inserting the following: "school years, school
25 districts and area education agencies shall pay the
26 minimum annual salary to full-time teachers as regular
27 compensation.""

28 3. Page 1, by inserting after line 31 the
29 following:

30 "_____. Page 3, line 30, by inserting after the
31 word "supplements" the following: "to increase each
32 eligible teacher's compensation by ten percent not
33 exceeding the minimum annual salary".

34 4. Page 1, by striking lines 32 through 34 and
35 inserting the following:

36 "_____. Page 3, by striking lines 32 and 33 and
37 inserting the following: "total of the amount needed
38 for the salary increase under this section plus the
39 amount required to".

40 _____ . Page 4, line 5, by striking the words "shall
41 be prorated".

S-3655

Filed April 16, 1987

BY EDGAR H. HOLDEN

LOST (p. 1368)

HOUSE FILE 499

S-3657

- 1 Amend amendment, S-3493 to House File 499 as
- 2 amended, passed and reprinted by the House as follows:
- 3 1. Page 18, line 10, by striking the word "six hundred"
- 4 and inserting the following: "three hundred one".

S-3657

Filed April 16, 1987

BY RAY TAYLOR

ADOPTED (p. 1370)

HOUSE FILE 499

S-3661

- 1 Amend the amendment, S-3632, to House File 499, as
- 2 amended, passed, and reprinted by the House, as
- 3 follows:
- 4 1. Page 1, by inserting after line 18 the
- 5 following:
- 6 "It is the intent of the general assembly that the
- 7 moneys appropriated for the fiscal year beginning July
- 8 1, 1988 and succeeding fiscal years shall be increased
- 9 so that the amounts allocated to phases II and III for
- 10 those fiscal years are double the amounts allocated
- 11 for the fiscal year beginning July 1, 1987."

S-3661

Filed April 16, 1987

BY EDGAR H. HOLDEN

LOST (p. 1369)

HOUSE FILE 499

S-3664

- 1 Amend amendment, S-3493, to House File 499 as
- 2 amended, passed and reprinted by the House as follows:
- 3 1. Page 11, line 32, by inserting after the word
- 4 "teacher." the following: "Teachers and boards of
- 5 school districts are encouraged to seek funding from
- 6 other sources to pay the costs of sabbaticals for
- 7 teachers."
- 8 2. Page 11, by inserting after line 35 the
- 9 following:
- 10 "A teacher granted a sabbatical under this section
- 11 shall agree either to return to the school district
- 12 granting the leave for a period of not less than two
- 13 years or to repay to the department of education the
- 14 amount of the sabbatical grant received during the
- 15 leave."

S-3664

Filed April 16, 1987

BY EDGAR H. HOLDEN

ADOPTED (p. 1370)

April 20, 1987

HOUSE FILE 499

3673

1 Amend amendment, S-3632, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

- 4 1. Page 1, by striking lines 14 through 18 and
5 inserting the following: "the minimum salary of
6 eighteen thousand dollars under phase I is funded
7 first and the remainder of the funds appropriated to
8 the educational excellence fund are divided so that
9 forty-three percent are distributed for phase II and
10 fifty-seven percent are distributed for phase III."
11 2. Page 1, by striking lines 19 through 23.
12 3. Page 1, by striking lines 27 through 29.
13 4. Page 1, by striking lines 32 through 34.

S-3673

Filed April 16, 1987

ADOPTED (p. 1370)

BY BEVERLY A. HANNON

LEONARD L. BOSWELL

HOUSE FILE 499

S-3675

1 Amend amendment, H-3493, to House File 499, as
2 amended, passed and reprinted by the House as follows:

- 3 1. Page 4, by striking lines 30 through 45.
- 4 2. By striking page 14, line 37, through page 15,
5 line 6.
- 6 3. Page 15, by striking lines 17 through 20.
- 7 4. By striking page 15, line 44 through page 16,
8 line 10.
- 9 5. By striking page 16, line 27, through page 17,
10 line 2.
- 11 6. Page 20, by striking lines 4 through 25.
- 12 7. By striking page 20, line 45 through page 21,
13 line 33.
- 14 8. By striking page 21, line 39 through page 22,
15 line 2.
- 16 9. Page 22, by striking lines 7 through 41.
- 17 10. Page 24, by striking lines 14 through 31.
- 18 11. By striking page 24, line 49 through page 32,
19 line 34.
- 20 12. By striking page 33, line 50 through page 34,
21 line 38.
- 22 13. By striking page 36, line 10 through page 37,
23 line 49.
- 24 14. By striking page 38, line 49 through page 39,
25 line 2.
- 26 15. Page 39, by striking lines 8 through 11.

3675

Filed April 16, 1987

RULED OUT OF ORDER (p. 1370)

BY RAY TAYLOR

EUGENE S. FRAISE

HURLEY W. HALL

DALE L. TIEDEN

C. JOSEPH COLEMAN

HOUSE FILE 499

S-3668

1 Amend amendment, S-3493, to House File 499 as
2 amended, passed, and reprinted by the House as
3 follows:

4 1. Page 32, by inserting after line 15 the
5 following:

6 " . Page 32, by inserting after line 28 the
7 following:

8 Sec. . NEW SECTION. 298.14 PUBLICATION LEVY.

9 The board of directors of a school district may
10 submit to the voters at a regular school election a
11 proposition to impose a property tax to pay the costs
12 of publication of the proceedings of each regular,
13 adjourned, or special meeting of the board required
14 under section 279.35. If the proposition is approved
15 by a majority of those electors voting on the
16 proposition at the election, the property tax may be
17 imposed for a period of five years following its
18 approval. Notwithstanding section 279.36, costs of
19 publication paid from revenues received from the
20 property tax levied under this section shall be paid
21 at the legal publication fee provided by statute."

S-3668

Filed April 16, 1987

BY LINN FUHRMANN

LOST (p 137)

HOUSE FILE 499

S-3676

- 1 Amend amendment, S-3632, to House File 499, as
- 2 amended, passed, and reprinted by the House, as
- 3 follows:
- 4 1. Page 1, by inserting after line 2 the
- 5 following:
- 6 " . Page 1, line 27, by inserting after the
- 7 word "position." the following: "However, a teacher
- 8 employed by an area education agency is not a teacher
- 9 for purposes of phase III under division IV of this
- 10 chapter."
- 11 2. Page 2, line 30, by striking the words "and
- 12 area education agencies".
- 13 3. Page 3, lines 1 and 2, by striking the words
- 14 "and area education agencies".
- 15 4. Page 3, line 5, by striking the words "and
- 16 area education agencies".
- 17 5. Page 3, by inserting after line 8 the
- 18 following:
- 19 " . Page 8, lines 34 and 35, by striking the
- 20 words "and area education agency that meet the
- 21 requirements of this section are" and inserting the
- 22 following: "that meets the requirements of this
- 23 section is".
- 24 6. Page 3, by striking lines 15 through 25 and
- 25 inserting the following: "school district. Annually
- 26 the department shall determine a phase III per pupil
- 27 amount for school districts by dividing the total
- 28 certified enrollment in the state into the amount of
- 29 the phase III allocation to determine a phase III per
- 30 pupil amount. The total amount paid for".
- 31 7. Page 3, by striking lines 29 through 34 and
- 32 inserting the following: "the district's certified
- 33 enrollment."
- 34 8. Page 3, by inserting after line 43 the
- 35 following:
- 36 " . Page 10, by striking lines 31 through 34
- 37 and inserting the following: "center. If the".
- 38 . Page 11, line 1, by striking the words "or
- 39 specific discipline,".
- 40 . Page 11, lines 3 and 4, by striking the
- 41 words "or specific discipline,".
- 42 . Page 11, line 5, by striking the words ", or
- 43 specific discipline".
- 44 . Page 11, lines 13 and 14, by striking the
- 45 words "or area education agency".
- 46 . Page 11, by striking lines 26 through 31 and
- 47 inserting the following: "school week, or school
- 48 year."
- 49 . Page 12, by striking lines 11 through 26."
- 50 9. Page 3, by striking lines 46 through 48 and

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- 1 inserting the following:
- 2 "____. Page 12, by striking lines 33 through 35
- 3 and inserting the following: "proposal. If the".
- 4 _____. Page 13, line 1, by striking the words "or
- 5 area education agency".
- 6 _____. Page 13, lines 5 and 6, by striking the
- 7 words "or area education agency".
- 8 10. Page 3, by striking lines 49 and 50 and
- 9 inserting the following:
- 10 "____. Page 13, by striking lines 7 through 9 and
- 11 inserting the following: "submitted to the board of
- 12 directors of the school district for".
- 13 11. Page 4, by inserting after line 2 the
- 14 following:
- 15 "____. Page 13, line 10, by striking the words "or
- 16 area education agency".
- 17 _____. Page 13, line 15, by striking the words "or
- 18 area education agency".
- 19 _____. Page 13, lines 17 and 18, by striking the
- 20 words "or area education agency".
- 21 _____. Page 13, line 26, by striking the words "or
- 22 area education agency".
- 23 _____. Page 14, line 1, by striking the words "and
- 24 area education agencies".
- 25 _____. Page 14, line 7, by striking the words "or
- 26 area education agency".
- 27 12. Page 4, lines 12 and 13, by striking the
- 28 words "or area education agency".
- 29 13. Page 4, by inserting after line 13 the
- 30 following:
- 31 "____. Page 14, line 12, by striking the words
- 32 "and area education agency".
- 33 14. Page 4, by inserting after line 16 the
- 34 following:
- 35 "____. Page 14, line 23, by striking the words
- 36 "and area education agencies".

S-3676

Filed April 16, 1987

BY WALLY E. HORN

LOST (p. 1373)

HOUSE FILE 499

S-3674

- 1 Amend amendment S-3613 to House File 499 as
- 2 amended, passed and reprinted by the House as follows:
- 3 1. Page 1, line 12, by striking the word "pupil"
- 4 and inserting in lieu thereof the following: "ten
- 5 pupils".

S-3674

Filed April 16, 1987

BY BEVERLY A. HANNON

ADOPTED (p. 1371)

HOUSE AMENDMENT TO
SENATE AMENDMENT TO
HOUSE FILE 499

S-3944

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by striking lines 3 through 6.

5 2. Page 1, by striking lines 18 through 23 and
6 inserting the following: "the allocations of moneys
7 for phases I and II are made prior to the allocation
8 of moneys for phase III."

9 3. Page 2, by striking lines 1 through 27 and
10 inserting the following:

11 "____. Page 5, by striking lines 23 and 24 and
12 inserting the following: "teachers. For each fiscal
13 year, the department of education shall allocate to".

14 _____. By striking page 5, line 27 through page 6,
15 line 17, and inserting the following: "multiplied by
16 the district's certified enrollment and to each area
17 education agency for the purpose of implementing phase
18 II an amount equal to three dollars and fifty-five
19 cents multiplied by the enrollment served in the area
20 education agency, if the general assembly has
21 appropriated sufficient moneys to the fund so that
22 pursuant to section 294A.3, thirty-eight million five
23 hundred thousand dollars will be allocated by the
24 department to school districts and area education
25 agencies for phase II. If, because of the amount of
26 the appropriation made by the general assembly to the
27 fund, less than thirty-eight million five hundred
28 thousand dollars is allocated for phase II, the
29 department of education shall adjust the amount for
30 each student in certified enrollment and each student
31 in enrollment served based upon the amount allocated
32 for phase II."

33 _____. Page 6, line 19, by inserting after the word
34 "allocations" the following: "for each school
35 district and area education agency".

36 4. Page 2, by inserting before line 28 the
37 following:

38 "____. Page 7, line 19, by striking the word
39 "June" and inserting the following: "July"."

40 5. By striking page 2, line 50 through page 3,
41 line 14.

42 6. By striking page 3, line 17 through page 4,
43 line 12, and inserting the following:

44 "____. Page 9, by striking lines 15 through 30 and
45 inserting the following:

46 "For each fiscal year, the department shall
47 allocate the remainder of the moneys appropriated by
48 the general assembly to the fund for phase III,
49 subject to section 294A.16B. If fifty million dollars
50 is allocated for phase III, the payments for an

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1 approved plan for a school district shall be equal to
2 the product of a district's certified enrollment and
3 ninety-eight dollars and sixty-three cents, and for an
4 area education agency shall be equal to the product of
5 an area education agency's enrollment served and four
6 dollars and sixty cents. If the moneys allocated for
7 phase III are either greater than or less than fifty
8 million dollars, the department of education shall
9 adjust the amount for each student in certified
10 enrollment and each student in enrollment served based
11 upon the amount allocated for phase III."

12 7. Page 4, by striking lines 27 through 29.

13 8. Page 4, by inserting after line 43 the
14 following:

15 "_____. Page 13, line 34, by inserting after the
16 word "plan" the following: "and its budget".

17 _____. Page 14, line 3, by inserting after the word
18 "plan" the following: "and budget".

19 _____. Page 14, by striking lines 5 and 6 and
20 inserting the following: "the school districts and
21 area education agencies not later than February 15,
22 1988 that their plans have been approved by the
23 department. Final approval of budgets for approved
24 phase III plans shall be determined by the department
25 of education after the certification required in
26 section 294A.16B but not later than February 15, 1988.
27 The department of education shall notify the
28 department of revenue and finance of the amounts of
29 payments to be made to each school district and area
30 education agency that has an approved plan. Moneys".

31 9. Page 5, by striking lines 11 through 32 and
32 inserting the following: "programs may provide for
33 increasing teacher salary costs for twelve month
34 contracts for vocational agriculture teachers."

35 10. Page 5, by inserting before line 33 the
36 following:

37 "Sec. _____. NEW SECTION. 294A.16B DETERMINATION
38 OF PHASE III ALLOCATION.

39 On February 1, 1988, the governor shall certify to
40 the department of education the amount of money
41 available for allocation under phase III. If pursuant
42 to any provision of law, the governor certifies an
43 amount lower than the allocation that would otherwise
44 be made under this chapter, the department of
45 education shall, if necessary, adjust the amount for
46 each student in certified enrollment and each student
47 in enrollment served which are included in approved
48 plans pursuant to section 294A.14 and shall review the
49 budgets of the approved plans."

50 11. By striking page 5, line 46 through page 6,

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1 line 4.

2 12. By striking page 6, line 20 through page 7,

3 line 10.

4 13. Page 7, by striking lines 11 through 27.

5 14. Page 7, by striking lines 41 and 42, and

6 inserting the following:

7 "____. Page 15, by striking lines 25 through 35

8 and inserting the following: "merged area schools.

9 The plans shall be reported to the general assembly

10 not later than October 1, 1987.

11 In addition, the state board shall develop plans

12 for redrawing the boundary lines of area education

13 agencies so that the total number of area education

14 agencies is no fewer than four and no greater than

15 twelve. The state board shall also study the

16 governance structure of the merged area schools,

17 including but not limited to governance at the state

18 level with a director of area school education serving

19 under a state board. The plans relating to the area

20 education agencies and merged area schools shall be

21 submitted to the general assembly not later than

22 January 8, 1990.

23 PARAGRAPH DIVIDED. The focus of the".

24 _____. Page 16, by striking lines 5 through 12."

25 15. Page 8, by striking lines 33 and 34 and

26 inserting the following: "is signed by at least

27 twenty percent of the number of registered voters

28 voting in the preceding school election."

29 16. Page 15, by striking lines 17 through 41.

30 17. Page 16, by striking lines 9 through 17.

31 18. Page 16, by striking lines 23 through 44.

32 19. Page 16, line 45, by striking the figure "29"

33 and inserting the following: "34".

34 20. Page 17, by striking lines 15 through 27.

35 21. By striking page 18, line 4 through page 19,

36 line 20.

37 22. By striking page 19, line 21 through page 20,

38 line 13.

39 23. By striking page 20, line 14 through page 22,

40 line 21.

41 24. Page 22, by striking lines 22 through 43.

42 25. Page 23, by striking lines 13 through 34.

43 26. By striking page 23, line 40 through page 24,

44 line 3.

45 27. Page 24, by inserting after line 19, the

46 following:

47 "____. Page 24, by inserting after line 34 the

48 following:

49 "Sec. _____. NEW SECTION. 279.46 RETIREMENT

50 INCENTIVES.

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1 The board of directors of a school district may
2 adopt a program for payment of a monetary bonus,
3 continuation of health or medical insurance coverage,
4 or other incentives for encouraging its employees to
5 retire before the normal retirement date as defined in
6 chapter 97B. The program is available only to
7 employees between fifty-nine and sixty-five years of
8 age who notify the board of directors prior to March 1
9 of the fiscal year that they intend to retire not
10 later than the next following June 30. An employee
11 retiring under this section shall apply for a
12 retirement allowance under chapter 97B or chapter 294.
13 If the total estimated accumulated cost to a school
14 district of the bonus or other incentives for
15 employees who retire under this section does not
16 exceed the estimated savings in salaries and benefits
17 for employees who replace the employees who retire
18 under the program, the board may certify for levy a
19 tax on all taxable property in the school district to
20 pay the costs of the program provided in this section.
21 The levy certified under this section is in addition
22 to any other levy authorized for that school district
23 by law and is not subject to budget limitations
24 otherwise provided by law. A board may amend its
25 certified budget during a fiscal year to provide for
26 payments required under this section. Moneys received
27 from the levy imposed under this section are
28 miscellaneous income for purposes of chapter 442."

29 28. By striking page 24, line 20 through page 25,
30 line 4.

31 29. Page 25, by striking lines 5 through 7 and
32 inserting the following:
33 " _____. Page 26, by striking lines 21 through 24
34 and inserting the following:
35 "For the school years commencing July 1, 1988 and
36 July 1, 1989, a parent or guardian residing in a
37 school district in which the high".
38 _____. Page 26, line 25, by striking the word
39 "academic"."

40 30. Page 25, by striking lines 32 through 36 and
41 inserting the following: "does not have classroom
42 space for the pupil."

43 31. Page 26, by striking lines 27 through 47.

44 32. Page 26, line 50, by striking the word "Sec"
45 and inserting the following: "Sec."

46 33. By striking page 27, line 15 through page 35,
47 line 7.

48 34. Page 35, by striking lines 22 through 26 and
49 inserting the following: "1989 and each succeeding
50 school year, the twenty-five percent portion shall be

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1 reduced to twenty percent."

2 35. Page 35, by striking lines 30 through 34 and
3 inserting the following: "1, 1989 and each succeeding
4 school year, the seventy-five percent portion shall be
5 increased to eighty percent."

6 36. By striking page 36, line 21 through page 37,
7 line 9.

8 37. Page 37, line 47, by striking the word "ten"
9 and inserting the following: "ten".

10 38. Page 38, line 22, by inserting after the word
11 "fifteen" the following: "and the total additional
12 weighting that may be added cumulatively to the
13 enrollment of school districts sharing an
14 administrator is twenty-five".

15 39. Page 38, by striking lines 23 through 30.

16 40. Page 38, by striking lines 31 through 40.

17 41. By striking page 38, line 43 through page 40,
18 line 24.

19 42. By striking page 40, line 25 through page 41,
20 line 5.

21 43. Page 41, by inserting after line 23 the
22 following:

23 "Sec. ____ . The legislative council shall appoint a
24 working committee to conduct a comprehensive study of
25 school finance and make recommendations for a school
26 finance program for Iowa for the 1990's and beyond.
27 The study shall include a review of the present school
28 finance formula, the property tax burden on taxpayers
29 of the various school districts including the property
30 assessment practices prescribed in sections 441.18
31 through 441.21, and the effect upon the formula of
32 additional moneys provided to improve teacher salaries
33 as well as a review of the following proposals:

34 1. Senate File 2298, introduced during the 1986
35 session of the general assembly.

36 2. The final report of the excellence in education
37 study committee which met during the 1985 interim.

38 3. The final report of the property tax issues
39 study committee which met during the 1986 interim.

40 4. The final report of the state tax reform study
41 committee which met during the 1986 interim.

42 The working committee appointed by the legislative
43 council shall be composed of members of both political
44 parties and both houses who are members of the
45 committees on education and the committees on ways and
46 means and members who represent the department of
47 education, education interest groups, and other
48 organizations and associations interested in school
49 finance.

50 The committee shall be staffed by the legislative

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1 service bureau and the legislative fiscal bureau. The
2 committee shall begin its deliberations following the
3 adjournment of the 1987 session of the general
4 assembly and shall issue its report of recommendations
5 which shall include a school aid formula to replace
6 the formula within chapter 442, by January 1, 1989.

7 It is the intent of the general assembly that the
8 general assembly meeting in 1989 shall enact a school
9 aid formula to replace the formula contained in
10 chapter 442 of the Code. The new formula shall take
11 effect for the computations and procedures needed
12 during the school year beginning July 1, 1990 in order
13 to implement the new formula for the school year
14 beginning July 1, 1991."

15 44. Page 41, by inserting after line 23 the
16 following:

17 "____. Page 36, by inserting after line 8 the
18 following:

19 "Sec. 100. For an appeal filed with the state
20 board of education under chapter 290 between February
21 18, 1987 and February 20, 1987 relating to a decision
22 of a board of directors of a school district for
23 school district restructuring, the state board of
24 education shall consider all of the following factors:

25 1. The continuity of the educational program of
26 the district.

27 2. Cost effectiveness when the restructuring is
28 compared to other alternatives.

29 3. The quality and physical condition of the
30 school district facilities affected.

31 4. The past and present student enrollment in the
32 affected area compared to the total past and present
33 student enrollment in the district.

34 5. Restructuring recommendations of a citizens
35 task force appointed by the board of directors.

36 6. Transportation changes required because of
37 restructuring and their impact upon participation in
38 student activities.

39 7. Presence or absence of violations by the board
40 of directors of the school district of rules and
41 guidelines adopted or promulgated by the state
42 board."

43 45. Page 41, by inserting after line 23, the
44 following:

45 "____. Page 36, by inserting after line 8 the
46 following:

47 "Sec. _____. The state board of education shall
48 study the feasibility of enacting permanent
49 legislation that would allow school students residing
50 in school districts to attend school in other school

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1 districts and shall report its conclusions to the
2 general assembly not later than January 1, 1988. The
3 state board shall consider, but not be limited to, the
4 conditions under which such a transfer might be made,
5 the requirements for an appeal process by either
6 party, the method and determination of payment,
7 transportation efficiency, and impact on the
8 educational system of the state."

9 46. Page 41, by striking lines 24 through 27.

10 47. Page 41, by striking lines 32 through 34 and
11 inserting the following:

12 "_____. Page 36, by striking line 11, and inserting
13 the following:

14 "Sec. _____. Chapter 294A and section 100 of".

15 48. Page 41, by striking lines 43 through 46.

16 49. Page 41, by inserting before line 47 the
17 following:

18 "_____. Page 36, by inserting after line 16 the
19 following:

20 "Sec. _____. Chapter 261C, Code 1989, is repealed
21 June 30, 1990.

22 Sec. _____. Chapter 442, Code 1991, is repealed June
23 30, 1991."

24 50. Page 42, lines 4 and 5, by striking the words
25 "election of school board directors;"

26 51. Page 42, by striking lines 7 through 14 and
27 inserting the following: "administrators;
28 establishing sabbatical programs for teachers;
29 increasing the enrichment amount; providing for
30 appeals of certain decisions of school districts;
31 retirement".

32 52. Page 42, line 16, by striking the word and
33 figures "11 through 14" and inserting the following:
34 "13 through 16".

35 53. Page 42, by striking lines 17 and 18, and
36 inserting the following: "and inserting the
37 following: "schools; date of the organizational
38 meeting of school corporations; sharing
39 interscholastic activity programs;"."

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Filed May 1, 1987

RECEIVED FROM THE HOUSE

Senate concurred 5/4/87 (p. 1672)
Motion to reconsider (p. 1685)
" 4/10 5/6 (p. 1725)

HOUSE FILE 499

-3678

1 Amend amendment, S-3632, to House File 499, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 3, line 23, by inserting after the word
5 "upon" the following: "one-half".

6 2. Page 3, line 25, by striking the word "The"
7 and inserting the following: "One-half the".

8 3. Page 3, line 29, by striking the word "The"
9 and inserting the following: "One-half the".

10 4. Page 3, by inserting after line 34 the
11 following:

12 "In addition, annually the department shall
13 determine a phase III per teacher amount for school
14 districts and a phase III per teacher amount for area
15 education agencies based upon one-half the phase III
16 allocation for each and determined by dividing one-
17 half the phase III allocation for school districts by
18 the number of full-time equivalent teachers employed
19 by school districts and one-half the phase III
20 allocation for area education agencies by the number
21 of full-time equivalent teachers employed by area
22 education agencies.

23 One-half the total amount paid for phase III for a
24 school year for each school district that has an
25 approved plan is equal to the phase III per teacher
26 amount for school districts multiplied by the number
27 of full-time equivalent teachers employed by that
28 school district. One-half the total amount paid for
29 phase III for a school year for each area agency that
30 has an approved plan is equal to the phase III per
31 teacher amount for area education agencies multiplied
32 by the number of full-time equivalent teachers
33 employed by that area education agency."

S-3678

Filed April 16, 1987
ADOPTED (7.1373)

BY JOE J. WELSH

SENATE AMENDMENT TO HOUSE FILE 499

H-3878

- 1 Amend House File 499 as amended, passed, and
2 reprinted by the House, as follows:
- 3 1. Page 1, line 27, by inserting after the word
4 "position." the following: "For the purposes of phase
5 III, "teacher" also includes a principal employed by
6 the board of directors of a school district."
- 7 2. Page 2, line 1, by striking the words and
8 figure "and July 1, 1988" and inserting the following:
9 ", July 1, 1988, and July 1, 1989".
- 10 3. Page 2, line 7, by striking the words and
11 figure "and July 1, 1988" and inserting the following:
12 ", July 1, 1988, and July 1, 1989".
- 13 4. Page 3, by striking lines 7 through 9 and
14 inserting the following:
15 "If moneys are appropriated by the general assembly
16 to the fund for distribution under this chapter the
17 moneys shall be allocated by the department so that
18 the minimum salary of eighteen thousand dollars under
19 phase I is funded first and the remainder of the funds
20 appropriated to the educational excellence fund are
21 divided so that forty-three percent are distributed
22 for phase II and fifty-seven percent are distributed
23 for phase III."
- 24 5. Page 3, line 27, by inserting after the word
25 "education" the following: "by the third Friday in
26 September".
- 27 6. Page 3, line 30, by inserting after the word
28 "year" the following: "for that year".
- 29 7. By striking page 4, line 10 through page 5,
30 line 6, and inserting the following: "each school
31 district and area education agency under phase I and
32 the department of revenue and finance shall make the
33 payments. For school years after the school year
34 beginning July 1, 1987, if a school district or area
35 education agency reduces the number of its full-time
36 equivalent teachers below the number employed during
37 the school year beginning July 1, 1987, the department
38 of revenue and finance shall reduce the total minimum
39 salary supplement payable to that school district or
40 area education agency so that the amount paid is equal
41 to the ratio of the number of full-time equivalent
42 teachers employed in the school district or area
43 education agency for that school year divided by the
44 number of full-time equivalent teachers employed in
45 the school district or area education agency for the
46 school year beginning July 1, 1987 and multiplying
47 that fraction by the total minimum salary supplement
48 paid to that school district or area education agency
49 for the school year beginning July 1, 1987."
- 50 8. Page 5, by striking lines 7 through 14.

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1 9. By striking page 5, line 23 through page 6,
2 line 2, and inserting the following: "teachers.
3 Annually, the department of education shall allocate
4 to school districts for the purpose of implementing
5 phase II ninety-five and twelve hundredths percent of
6 the total phase II allocation determined under section
7 294A.3. Annually, the department shall divide the
8 total certified enrollment in the state into the
9 school districts' portion of the phase II allocation
10 to determine a phase II per pupil amount for school
11 districts. Each school district shall receive for
12 phase II the phase II per pupil amount multiplied by
13 the district's certified enrollment."

14 10. Page 6, by striking lines 3 through 17 and
15 inserting the following:

16 "Annually the department of education shall
17 allocate to area education agencies for the purpose of
18 implementing phase II four and eighty-eight hundredths
19 percent of the total phase II allocation determined
20 under section 294A.3. Annually, the department shall
21 divide the total enrollment served in the state into
22 the area education agencies' portion of the phase II
23 allocation to determine a phase II per pupil amount
24 for area education agencies. Each area education
25 agency shall receive for phase II the phase II per
26 pupil amount multiplied by the area education agency's
27 enrollment served."

28 11. Page 7, by striking line 34 and inserting the
29 following: "equal to or more than the minimum salary
30 for phase I will".

31 12. Page 8, line 27, by striking the words "and
32 to promote student achievement".

33 13. Page 8, by inserting after line 31 the
34 following:

35 "It is the intent of the general assembly that
36 school districts and area education agencies
37 incorporate into their planning for performance-based
38 pay plans and supplemental pay plans, implementation
39 of recommendations from recently issued national and
40 state reports relating to the requirements of the
41 educational system for meeting future educational
42 needs, especially as they relate to the preparation,
43 working conditions, and responsibilities of teachers,
44 including but not limited to assistance to new
45 teachers, development of teachers as instructional
46 leaders in their schools and school districts, using
47 teachers for evaluation and diagnosis of other
48 teachers' techniques, and the implementation of
49 sabbatical leaves.

50 It is the intent of the general assembly that as

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more stringent or additional teaching certification standards or other educational requirements affecting teacher compensation are mandated in response to recommendations made in various national and state reports relating to education and teaching in the nation and in this state, the cost of meeting these requirements shall be borne by the districts and area education agencies themselves and state financial assistance will be provided only pursuant to an approved phase III plan. Renewal of school districts' and area education agencies' initial allocations of phase III moneys may be affected in subsequent years by implementation of increased or additional standards."

14. Page 9, by striking lines 3 through 13 and inserting the following: "combination of the two."

15. Page 9, by striking lines 15 through 30 and inserting the following:

"Annually, the department of education shall determine the payments for an approved plan for each school district and area education agency. Ninety-five and twelve hundredths percent of the total phase III allocation determined under section 294A.3 shall be allocated to school districts and four and eighty-eight hundredths percent shall be allocated to area education agencies. Annually the department shall determine a phase III per pupil amount for school districts and a phase III per pupil amount for area education agencies based upon one-half the phase III allocation for each in the same manner as the phase II per pupil amounts were determined. One-half the total amount paid for phase III for a school year for each school district that has an approved plan is equal to the phase III per pupil amount for school districts multiplied by the district's certified enrollment. One-half the total amount paid for phase III for a school year for each area education agency that has an approved plan is equal to the phase III per pupil amount for area education agencies multiplied by the area education agency's enrollment served.

In addition, annually the department shall determine a phase III per teacher amount for school districts and a phase III per teacher amount for area education agencies based upon one-half the phase III allocation for each and determined by dividing one-half the phase III allocation for school districts by the number of full-time equivalent teachers employed by school districts and one-half the phase III allocation for area education agencies by the number of full-time equivalent teachers employed by area

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1 education agencies.

2 One-half the total amount paid for phase III for a
3 school year for each school district that has an
4 approved plan is equal to the phase III per teacher
5 amount for school districts multiplied by the number
6 of full-time equivalent teachers employed by that
7 school district. One-half the total amount paid for
8 phase III for a school year for each area agency that
9 has an approved plan is equal to the phase III per
10 teacher amount for area education agencies multiplied
11 by the number of full-time equivalent teachers
12 employed by that area education agency."

13 16. Page 10, line 17, by inserting after the word
14 "district" the following: ", except that phase III
15 moneys may be used to employ substitute teachers,
16 part-time teachers, and other employees needed to
17 implement plans that provide innovative staffing
18 patterns or that require that a teacher employed on a
19 full-time basis be absent from the classroom for
20 specified periods for fulfilling other instructional
21 duties".

22 17. Page 11, by inserting after line 20 the
23 following:

24 "A supplemental pay plan may provide for
25 supplementing the costs of vocational agriculture
26 programs as provided in section 294A.16A."

27 18. Page 12, by striking lines 8 through 10 and
28 inserting the following: "education under section
29 294A.16."

30 19. Page 12, line 31, by striking the word
31 "students,".

32 20. Page 12, line 33, by inserting after the word
33 "proposal" the following: "for distribution of phase
34 III moneys to be submitted to the board of directors".

35 21. Page 13, by striking lines 8 and 9 and in-
36 serting the following: "area education agency for
37 consideration by the board in developing a plan. For
38 the school year beginning July".

39 22. Page 13, by striking lines 25 and 26 and
40 inserting the following:

41 "A plan adopted by the board of directors of a
42 school district or area education agency shall be sub-
43 mitted to the department of".

44 23. Page 14, line 7, by inserting after the word
45 "agency" the following: "for the school year
46 beginning July 1, 1987".

47 24. Page 14, line 7, by inserting after the word
48 "an" the following: "approved phase III plan that are
49 not expended for that school year shall not revert to
50 the general fund of the state but may be expended by

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that school district or area education agency during the school year beginning July 1, 1988. For school years thereafter, moneys allocated to a school district or area education agency for an".

25. Page 14, by inserting before line 11 the following:

"Sec. ____ . NEW SECTION. 294A.16A VOCATIONAL AGRICULTURE.

A supplemental pay plan that provides for supplementing the costs of vocational agriculture programs may include providing for:

1. Teacher salary costs beyond the regular school year for twelve-month contracts for vocational agriculture teachers in order for them to develop and provide summer programs.

2. Travel costs of the teachers.

3. Supervision costs of the teachers for intracurricular student organizations and associations.

4. Costs of coordination of continuing education programs for adult young farmers and agribusiness personnel.

5. Replacing and updating vocational education instructional equipment in school districts.

6. Revising vocational agriculture curricula to include the instruction of diversified enterprises.

7. Developing and implementing additional instructional programs for vocational agriculture.

8. Developing curriculum guides that incorporate exploratory and career awareness for vocational agriculture into the educational programs for grades kindergarten through eight."

26. Page 14, line 22, by striking the words and figure "for phase III" and inserting the following: "and allocated to phase III under section 294A.3".

27. Page 14, by striking lines 33 and 34 and inserting the following: "program shall be made by the department of revenue and finance on a quarterly basis, and the payments shall be separate from state aid payments made pursuant to sections 442.25 and 442.26. For the school year beginning July 1, 1987, the first quarterly payment shall be made not later than October 15, 1987 taking into consideration the relative budget and cash position of the state resources."

28. Page 15, by inserting after line 9 the following:

"Sec. ____ . NEW SECTION. 294A.21A MINIMUM SALARY FOR SUBSTITUTE TEACHERS.

In addition to the minimum salary requirements

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1 specified in section 294A.5, the minimum daily salary
2 paid to a substitute teacher for the school year
3 beginning July 1, 1987 and succeeding school years is
4 seventy-five dollars."

5 29. Page 15, by inserting after line 9 the
6 following:

7 "Sec. ____ . NEW SECTION. 294A.21B COLLECTIVE
8 BARGAINING.

9 For the school year beginning July 1, 1987 only,
10 section 20.17, subsection 3, relating to the exemption
11 from chapter 21 and presentation of initial bargaining
12 positions of the public employer and certified
13 bargaining representative for certificated employees,
14 does not apply to collective bargaining for moneys
15 received under phases II and III, and an agreement
16 between the board of directors and the certified
17 bargaining representative for certificated employees
18 need not be ratified by the employees or board."

19 30. Page 15, by striking lines 10 through 17.

20 31. Page 15, by inserting after line 19 the
21 following:

22 "Sec. ____ . Section 20.16, Code 1987, is amended by
23 adding the following new unnumbered paragraph:

24 NEW UNNUMBERED PARAGRAPH. Upon mutual agreement of
25 all parties affected, the public employers who are
26 boards of directors of school districts and their
27 corresponding certified teacher employee organizations
28 within the boundaries of an area education agency, or
29 portion of an area education agency, may engage in
30 collective bargaining to negotiate a single proposed
31 collective bargaining agreement for the area.

32 Sec. ____ . NEW SECTION. 20.22A NEGOTIATIONS FOR
33 SCHOOL DISTRICTS.

34 Notwithstanding the deadline dates prescribed in
35 section 20.17, and sections 20.19 through 20.22, the
36 negotiations for a proposed collective bargaining
37 agreement between the representatives of a school
38 district and a certified teacher employee organization
39 may occur after the March 15 certified budget
40 submission date if the parties comply with this
41 section. Not later than October 1 of the year
42 preceding the year for which an agreement is being
43 negotiated, the representatives of the school district
44 and a certified teacher employee organization shall
45 jointly submit to the public employment relations
46 board a time line for negotiations that contains
47 proposed deadline dates for impasse procedures,
48 including appointment of a mediator, appointment of a
49 fact-finder, request for arbitration, and the final
50 determination of the panel of arbitrators. The

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deadline for the final determination of the panel of arbitrators shall not be later than August 15 and the determination must be effective retroactive to July 1.

The public employment relations board shall approve or disapprove the request by November 1 of the year preceding the year for which the agreement is being negotiated. If the public employment relations board disapproves the time line submitted by the parties, the time lines specified in section 20.17 and sections 20.19 through 20.22 apply."

32. Page 15, by inserting after line 19 the following:

"Sec. 100. Section 93.20, unnumbered paragraph 2, Code 1987, is amended to read as follows:

School districts shall repay the loans from moneys in either their general fund or schoolhouse capital projects fund. Area schools shall repay the loans from their general fund.

Sec. 101. Section 96.31, Code 1987, is amended to read as follows:

96.31 TAX FOR BENEFITS.

Political subdivisions may levy a tax outside their general fund levy limits to pay the cost of unemployment benefits. For school districts the cost of unemployment benefits paid outside the general fund limits shall be included in the liability levy pursuant to section 298.4."

33. Page 15, by inserting after line 19 the following:

"Sec. _____. Section 256.7, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 8. Develop plans for the approval of teacher preparation programs that incorporate the results of recently completed research and national studies on teaching for the twenty-first century and develop plans for providing assistance to newly graduated teachers, including options for internships and reduced teaching loads. The plans shall be submitted to the general assembly not later than October 1, 1988."

34. By striking page 15, line 20, through page 16, line 12.

35. By striking page 16, line 13, through page 17, line 30, and inserting the following:

"Sec. _____. Section 256.11, subsections 10, 11, and 12, Code 1987, are amended by striking the subsections and inserting in lieu thereof the following:

10. The state board shall establish an accreditation process for school districts and nonpublic schools seeking accreditation pursuant to

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1 this subsection and subsections 11 and 12. As
2 required in section 256.17, by July 1, 1989, all
3 school districts shall meet standards for
4 accreditation. For the school year commencing July 1,
5 1989 and school years thereafter, the department of
6 education shall use a two-phase process for the
7 continued accreditation of schools and school
8 districts.

9 Phase I consists of annual monitoring by the
10 department of education of all accredited schools and
11 school districts for compliance with accreditation
12 standards adopted by the state board of education as
13 provided by section 256.17. The phase I monitoring
14 requires that accredited school districts and schools
15 annually complete accreditation compliance forms
16 adopted by the state board and file them with the
17 department of education. In addition, employees of
18 the department of education shall complete at least
19 one onsite visit each year to each accredited school
20 and school district to review the educational programs
21 and the information included in the compliance forms.

22 Phase II requires the use of an accreditation
23 committee, appointed by the director of the department
24 of education, to conduct an onsite visit to an
25 accredited school or school district if any of the
26 following conditions exist:

27 a. When the annual monitoring of phase I indicates
28 that a school or school district may be deficient or
29 fails to be in compliance with accreditation
30 standards.

31 b. In response to a petition filed with the
32 director requesting such a committee visitation that
33 is signed by twenty percent or more of the registered
34 voters of a school district.

35 c. In response to a petition filed with the
36 director requesting such a committee visitation that
37 is signed by twenty percent or more of the parents or
38 guardians who have children enrolled in the school or
39 school district.

40 d. At the direction of the state board of
41 education.

42 The number and composition of the membership of an
43 accreditation committee shall be determined by the
44 director and may vary due to the specific nature or
45 reason for the visit. In all situations, however, the
46 chairperson and a majority of the committee membership
47 shall be from the instructional and administrative
48 program specialty staff of the department of
49 education. Other members may include instructional
50 and administrative staff from school districts, area

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education agencies, institutions of higher education, local board members and the general public. An accreditation committee visit to a nonpublic school requires membership on the committee from nonpublic school instructional or administrative staff or board members. A member of a committee shall not have a direct interest in the nonpublic school or school district being visited.

Rules adopted by the state board may include provisions for coordination of the accreditation process under this section with activities of accreditation associations.

Prior to a visit to a school district or nonpublic school, members of the accreditation committee shall have access to all annual accreditation report information filed with the department by that nonpublic school or school district.

After visiting the school district or nonpublic school, the accreditation committee shall determine whether the accreditation standards have been met and shall make a report to the director, together with a recommendation whether the school district or nonpublic school shall remain accredited. The accreditation committee shall report strengths and weaknesses, if any, for each standard and shall advise the school or school district of available resources and technical assistance to further enhance strengths and improve areas of weakness. A school district or nonpublic school may respond to the accreditation committee's report.

11. The director shall review the accreditation committee's report, and the response of the school district or nonpublic school, and provide a report and recommendation to the state board along with copies of the accreditation committee's report, the response to the report, and other pertinent information. The state board shall determine whether the school district or nonpublic school shall remain accredited. If the state board determines that a school district or nonpublic school should not remain accredited, the director, in cooperation with the board of directors of the school district, or authorities in charge of the nonpublic school, shall establish a plan prescribing the procedures that must be taken to correct deficiencies in meeting the standards, and shall establish a deadline date for completion of the procedures. The plan is subject to approval of the state board.

12. During the period of time specified in the plan for its implementation by a school district or

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1 nonpublic school, the school or school district
2 remains accredited. The accreditation committee shall
3 revisit the school district or nonpublic school and
4 shall determine whether the deficiencies in the
5 standards have been corrected and shall make a report
6 and recommendation to the director and the state
7 board. The state board shall review the report and
8 recommendation, may request additional information,
9 and shall determine whether the deficiencies have been
10 corrected. If the deficiencies have not been
11 corrected, the state board shall merge the territory
12 of the school district with one or more contiguous
13 school districts. Division of assets and liabilities
14 of the school district shall be as provided in
15 sections 275.29 through 275.31. Until the merger is
16 completed, the school district shall pay tuition for
17 its resident students to an accredited school district
18 under section 282.24."

19 36. Page 18, lines 8 and 9, by striking the words
20 "~~may shall~~" and inserting the word "may".

21 37. Page 18, by inserting after line 12 the
22 following:

23 "Sec. ____ . Section 256.17, unnumbered paragraph 5,
24 Code 1987, is amended by striking the unnumbered
25 paragraph."

26 38. Page 18, by inserting after line 12 the
27 following:

28 "Sec. ____ . NEW SECTION. 256.18 MODIFIED BLOCK
29 SCHEDULING.

30 1. The state board of education shall approve
31 pilot projects, not exceeding four per year, for the
32 purpose of sharing certificated instructional
33 personnel between two or more districts, when the
34 participating districts plan to utilize a modified
35 block schedule for offering classes in the districts
36 and sharing the certificated instructional personnel
37 because of the modified block schedule. One-half of
38 the approved pilot projects each year shall be
39 projects of school districts with less than twelve
40 hundred combined certified enrollment. The approved
41 pilot projects shall also be as geographically
42 distributed throughout the state as possible.

43 2. The boards of directors of two or more school
44 districts may jointly apply to the state board of
45 education for approval of a pilot project to jointly
46 utilize a modified block schedule. The application
47 shall be received by January 1 of the preceding school
48 year. The state board shall review the applications
49 and notify school districts with approved applications
50 not later than February 15 of the preceding school

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year. The state board may request that a proposal be amended and resubmitted within the specified time period, to permit the proposal to comply with the requirements pursuant to subsection 3.

3. The application, pursuant to subsection 2, shall include the following:

a. Demonstration of a projected minimum of fifteen percent annual combined instructional and support cost savings of the projected costs if the districts would not utilize a modified block schedule, through reduction of employment of certificated instructional and support personnel.

b. Demonstration among the grades participating in the project of the following: greater student-certificated instructional personnel ratio, an increased number of course offerings, and an average reduction of course preparations per certificated teacher.

c. Demonstration of the acceptance of the modified block schedule by the administration personnel, the majority of each board of directors of each school district participating in the pilot project, and the certificated instructional personnel.

d. Transition and implementation plans regarding the in-service plan pursuant to subsection 5 and the changes necessary for a permanent modified block schedule.

e. Sabbatical plan for temporarily displaced teachers, which may include, but not be limited to, in-service, postsecondary enrollment, career advancement, consultant and other teaching positions in another school district.

For purposes of this section "instructional and support cost" means the general education costs, including salaries, benefits, contract or purchase services, supplies, capital outlay, miscellaneous expenses, and fund transfers.

4. Certificated instructional personnel notified, after approval of the pilot project by the state board, that the person's position has been temporarily displaced for the period of the pilot project, shall continue to be employed by the school district in a sabbatical capacity as mutually determined by the person and the board. If the determination is made that the person may be employed as a teacher in another school district for the period of the pilot project, the person shall receive the amount of the difference between the compensation which would have been received from the school district participating in the pilot project and the compensation received

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1 from the school district not participating in the
2 pilot project, from the school district participating
3 in the pilot project. All other terms of the contract
4 with the school district participating in the pilot
5 project shall remain in effect for the school year
6 affected by the pilot project.

7 5. The school districts participating in the
8 approved pilot project shall conduct in-service
9 training for all certificated instructional and
10 noninstructional personnel regarding the modified
11 block scheduling, between the date notified by the
12 state board of education regarding approval of the
13 pilot project and September 1. Personnel shall
14 receive compensation for the training, based on the
15 per diem compensation received under the contract of
16 the employing school district. The in-service
17 training shall not be less than ten days.

18 6. The school district shall submit a quarterly
19 report to the department of education, including but
20 not limited to, test scores, daily attendance rates,
21 and resulting ratio between students and certificated
22 instructional personnel. The state board of education
23 shall provide consultation and information to the
24 school districts with approved pilot projects by
25 providing in-state and out-of-state consultants
26 familiar with modified block scheduling, research, and
27 dissemination of information, and any other manner
28 deemed appropriate. The state board shall encourage
29 the appropriate school districts to review the concept
30 of modified block scheduling and to adopt the concept
31 for school years beginning July 1, 1989 and
32 thereafter.

33 7. A school district may conduct a pilot project
34 for only one school year.

35 8. This section does not preclude a school
36 district from sharing certificated instructional
37 personnel with one or more other school districts in
38 order to utilize a modified block schedule for
39 offering classes in the districts without obtaining
40 approval from the department of education and
41 designation as a pilot project.

42 Sec. ____ . NEW SECTION. 256.19 PILOT PROJECTS.

43 For fiscal years in which moneys are appropriated
44 by the general assembly for the purpose of section
45 256.18 the state board of education shall notify the
46 department of revenue and finance of the amounts
47 necessary for each pilot project in order to reimburse
48 the certificated instructional personnel pursuant to
49 section 256.18, subsection 4, for the in-service
50 training pursuant to section 256.18, subsection 5, and

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for other costs related to the approved pilot projects."

39. Page 18, by inserting after line 12 the following:

"Sec. ____ . NEW SECTION. 256.20 YEAR AROUND SCHOOLS.

Pursuant to section 279.10, subsection 1, relating to the maintenance of school during an entire year, the board of directors of a school district may request approval from the state board of education for a pilot project for a year around three semester school year. The deadlines for approval of a pilot project under this section are the deadlines specified in section 256.18 for approval of a modified block scheduling pilot project.

The application shall describe the anticipated additional costs to the school district and the benefits to be gained from the three semester school year. Students would not be required to attend school more than two semesters each school year.

Participation in a pilot project shall not modify provisions of a master contract negotiated between a school district and a certified bargaining unit pursuant to chapter 20 unless mutually agreed upon.

If moneys are appropriated by the general assembly for funding the costs of pilot projects under this section, the state board of education shall notify the department of revenue and finance of the amounts to be paid to each school district with an approved pilot project."

40. Page 18, by inserting after line 12 the following:

"Sec. ____ . NEW SECTION. 256.21 SABBATICAL PROGRAM.

If the general assembly appropriates money for grants to provide sabbaticals for teachers, a sabbatical program shall be established as provided in this section. For the school years commencing July 1, 1988, July 1, 1989, and July 1, 1990, any teacher with at least seven years of teaching experience in this state may submit an application for a sabbatical to the department of education not later than November 1 of the preceding school year.

A teacher's application shall include a plan for the use of the period of the sabbatical, including, but not limited to, additional education, use of a fellowship, conducting of research, writing relating to a particular subject area, or other activities relating to an enhancement of teaching skills. The teacher's plan must be accompanied by the written

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1 approval of the superintendent of the school district
2 and a statement by the superintendent describing the
3 benefits of the sabbatical to the school district.

4 The state board of education shall adopt rules
5 under chapter 17A relating to submission of sabbatical
6 plans and criteria for awarding the sabbaticals,
7 including both the benefit to the teacher and the
8 benefit to the school district. Sabbaticals shall be
9 awarded by the department not later than January 1 of
10 the preceding school year.

11 A sabbatical grant to a teacher shall be equal to
12 the costs to the school district of the teacher's
13 regular compensation as defined in section 294A.2 plus
14 the cost to the district of the fringe benefits of the
15 teacher. The grant shall be paid to the school
16 district, and the district shall continue to pay the
17 teacher's regular compensation as well as the cost to
18 the district of the substitute teacher. Teachers and
19 boards of school districts are encouraged to seek
20 funding from other sources to pay the costs of
21 sabbaticals for teachers. Grant moneys are
22 miscellaneous income for purposes of chapter 442.

23 A sabbatical approved by the department may be for
24 any period of time not exceeding one year.

25 A teacher granted a sabbatical under this section
26 shall agree either to return to the school district
27 granting the leave for a period of not less than two
28 years or to repay to the department of education the
29 amount of the sabbatical grant received during the
30 leave.

31 Notwithstanding section 8.33, if moneys are
32 appropriated by the general assembly for the
33 sabbatical program for either the fiscal year
34 beginning July 1, 1988 or July 1, 1989, the moneys
35 shall not revert at the end of that fiscal year but
36 shall carry over and may be expended during the next
37 fiscal year.

38 This section does not preclude a school district
39 from providing a sabbatical program for its teachers
40 separate from the sabbatical program provided under
41 this section."

42 41. Page 18, by inserting after line 12 the
43 following:

44 "Sec. ____ . Section 260.6, Code 1987, is amended to
45 read as follows:

46 260.6 CERTIFICATES REQUIRED.

47 The board of educational examiners shall issue
48 certificates pursuant to sections 256.7, subsection 3,
49 and 260.2. A person employed as an administrator,
50 supervisor, school service person, or teacher in the

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public schools shall hold a certificate valid for the
2 type of position in which the person is employed.
3 Effective July 1, 1990, the board shall only issue an
4 emergency temporary certificate or endorsement to an
5 individual employed by a school district or nonpublic
6 school after the board of that school district or
7 authorities in charge of that nonpublic school certify
8 to the board of educational examiners that the board
9 or authorities attempted to employ a certificated or
10 endorsed individual to fill the teaching vacancy and,
11 if the vacancy is in a school district, the board also
12 attempted to complete a sharing agreement with another
13 school district for providing the classes or courses.
14 An emergency temporary certificate or endorsement is
15 valid for one year after its issuance and shall not be
16 renewed."

17 42. Page 18, by inserting after line 12 the
18 following:

19 "Sec. ____ . NEW SECTION. 260.13 EXAMINATIONS.

20 Effective for certificates issued on or after July
21 1, 1989, the board shall conduct examinations of
22 applicants for initial certificates under this
23 chapter. The examinations shall include a
24 professional knowledge and general knowledge
25 examination and may include but shall not be limited
26 to subject matter proficiency examinations for the
27 appropriate endorsement and approval areas. The board
28 may administer as many examinations per year as are
29 necessary. If the board administers examinations for
30 subject matter proficiency, it shall administer the
31 examination for each subject matter proficiency at
32 least one time per year. The scope of the
33 examinations and the methods of procedure shall be
34 prescribed by the board. The board may charge
35 applicants an examination fee.

36 The examinations required by this section shall be
37 used as a criteria for issuing an initial teaching
38 certificate only if the state board determines that
39 the examinations are valid and reliable indicators of
40 successful teaching performance for applicants for
41 initial certificates under this chapter."

42 43. Page 18, by inserting after line 12 the
43 following:

44 "Sec. ____ . NEW SECTION. 260.20 NATIONAL
45 CERTIFICATION.

46 The board of educational examiners shall review the
47 certification standards for teacher's certificates
48 adopted by the national board for professional
49 teaching standards, a nonprofit corporation created as
50 a result of recommendations of the task force on

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1 teaching as a profession of the Carnegie forum on
2 education and the economy. In those cases in which
3 the standards required by the national board for an
4 Iowa endorsement meet or exceed the requirements
5 contained in rules adopted under this chapter for that
6 endorsement, the board of educational examiners shall
7 issue certificates to holders of certificates issued
8 by the national board who request the certificate."

9 44. Page 18, by striking lines 16 through 21.

10 45. Page 18, line 31, by striking the word "an"
11 and inserting the following: "a tenth,".

12 46. Page 19, by striking lines 1 through 4 and
13 inserting the following: "institution, subject to the
14 approval of the board of directors of the school
15 district or the designee of the board of directors, to
16 enroll in a course offered at that eligible insti-
17 tution. If an".

18 47. Page 19, line 14, by striking the word
19 "shall" and inserting the word "may".

20 48. Page 19, by striking lines 20 through 27 and
21 inserting the following: "who successfully completes
22 a course."

23 49. Page 19, by striking lines 28 through 31 and
24 inserting the following:

25 "Evidence of successful".

26 50. By striking page 19, line 35 through page 20,
27 line 17 and inserting the following:

28 "Sec. ____ . NEW SECTION. 261C.6 TUITION AND
29 COSTS.

30 Payment by a school district to an eligible insti-
31 tution for tuition and costs for a pupil enrolled in a
32 course at the institution shall be determined by the
33 board of directors of the school district in
34 cooperation with the institution. If an eligible
35 postsecondary institution is an area school
36 established under chapter 280A and the area school
37 counts the contact hours of high school pupils under
38 this chapter as contact hours eligible for general aid
39 under chapter 286A, the area school is not eligible to
40 receive the payment by a school district under this
41 section for those contact hours."

42 51. Page 20, line 21, by striking the word
43 "shall" and inserting the following: "may be required
44 to".

45 52. Page 20, by inserting after line 29 the
46 following:

47 "Sec. ____ . Section 273.1, Code 1987, is amended to
48 read as follows:

49 273.1 INTENT.

50 It is the intent of the general assembly to provide

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an effective, efficient, and economical means of identifying and serving children from under five years of age through grade twelve who require special education and any other children requiring special education as defined in section 281.2; to provide for media services and other programs and services for pupils in grades kindergarten through twelve and children requiring special education as defined in section 281.2; to provide a method of financing the programs and services; and to avoid a duplication of programs and services provided by any other school corporation in the state; and to provide services to school districts under a contract with those school districts."

53. Page 20, by striking lines 31 through 34 and inserting the following:

"Nothing in this chapter shall be construed to prohibit a pupil from enrolling in a course at an eligible postsecondary institution at the expense of the pupil or the pupil's parent or guardian. The board of directors of a school district shall not prohibit a pupil from enrolling in a course at an eligible postsecondary institution when expenses for the course, including tuition, transportation costs, expenses for textbooks and materials, and other fees, are paid by the pupil or the pupil's parent or guardian."

54. By striking page 20, line 35 through page 21, line 13.

55. By striking page 21, line 14 through page 22, line 24.

56. Page 22, by striking lines 25 through 35.

57. Page 23, by inserting before line 1 the following:

"Sec. . NEW SECTION. 273.7A SERVICES TO SCHOOL DISTRICTS.

The board of an area education agency may provide services to school districts located in the area education agency under contract with the school districts. These services may include, but are not limited to, superintendency services, personnel services, business management services, specialized maintenance services, and transportation services. In addition, the board of the area education agency may provide for furnishing expensive and specialized equipment for school districts. School districts shall pay to area education agencies the cost of providing the services.

The board of an area education agency may also provide services authorized to be performed by area

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1 education agencies to other area education agencies in
2 this state and to provide a method of payment for
3 these services."

4 58. Page 23, by inserting before line 1 the
5 following:

6 "Sec. 102. Section 274.37, unnumbered paragraph 2,
7 Code 1987, is amended to read as follows:

8 The boards in the respective districts, the
9 boundaries of which have been changed under this
10 section, complete in all respects, except for the
11 passage of time prior to the effective date of the
12 change, and when ~~at~~ the right of appeal of the change
13 has expired, may enter into joint contracts for the
14 construction of buildings for the benefit of the
15 corporations whose boundaries have been changed, using
16 funds accumulated ~~under section 278.17-subsection 7~~
17 ~~from the capital projects and equipment amount.~~ The
18 district in which the building is to be located may
19 use any funds authorized in accordance with chapter
20 75. ~~Nothing in this section shall be construed to~~
21 ~~This section does not permit the changed districts to~~
22 ~~expend any funds jointly which they are not entitled~~
23 ~~to expend acting individually."~~

24 59. Page 23, by inserting before line 1 the fol-
25 lowing:

26 "Sec. 103. Section 275.12, subsection 5, Code
27 1987, is amended by striking the subsection."

28 60. Page 23, by inserting before line 1 the
29 following:

30 "Sec. 104. Section 275.20, Code 1987, is amended
31 to read as follows:

32 275.20 SEPARATE VOTE IN EXISTING DISTRICTS.

33 The voters shall vote separately in each existing
34 school district affected and voters residing in the
35 entire existing district are eligible to vote both
36 upon the proposition to create a new school
37 corporation ~~and the proposition to levy the~~
38 ~~schoolhouse tax under section 278.17-subsection 7, if~~
39 ~~the petition included a provision for a vote to levy~~
40 ~~the schoolhouse tax.~~ If a proposition receives a
41 majority of the votes cast in each of at least
42 seventy-five percent of the districts, and also a
43 majority of the total number of votes cast in all of
44 the districts, the proposition is carried."

45 61. Page 23, by inserting before line 1 the
46 following:

47 "Sec. 105. Section 275.32, Code 1987, is amended
48 to read as follows:

49 275.32 SCHOOL BUILDINGS -- TAX LEVY.

50 The board of any a school corporation shall

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1 establish attendance centers and provide suitable
2 buildings for each school in the district, and may at
3 the regular or a special meeting call a special
4 election to submit to the qualified electors of the
5 district the question of ~~voting-a-tax-or~~ authorizing
6 the board to issue bonds, ~~or-both,~~ for any or all of
7 the following purposes:

8 1. To secure sites, build, purchase, or equip
9 school buildings.

10 2. To build or purchase a superintendent's or
11 teacher's house or houses.

12 3. To repair or improve any a school building or
13 grounds, or superintendent's or teacher's house or
14 houses, ~~when-the-cost-will-exceed-five-thousand~~
15 ~~dollars.~~

16 All ~~moneys~~ Moneys received for such the purposes
17 listed in this subsection shall be placed in the
18 schoolhouse capital projects fund of said the
19 corporation and shall be used only for the purpose for
20 which voted."

21 62. Page 23, by inserting before line 1 the
22 following:

23 "Sec. ____ . Section 275.33, subsection 2,
24 unnumbered paragraph 1, Code 1987, is amended to read
25 as follows:

26 The collective bargaining agreement of the district
27 with the largest basic enrollment, as defined in
28 section 442.4, in the new district shall serve as the
29 base agreement and the employees of the other
30 districts involved in the formation of the new
31 district shall automatically be accreted to the
32 bargaining unit of that collective bargaining
33 agreement for purposes of negotiating the contracts
34 for the following years without further action by the
35 public employment relations board. If only one
36 collective bargaining agreement is in effect among the
37 districts which are party to the reorganization, then
38 that agreement shall serve as the base agreement, and
39 the employees of the other districts involved in the
40 formation of the new district shall automatically be
41 accreted to the bargaining unit of that collective
42 bargaining agreement for purposes of negotiating the
43 contracts for the following years without further
44 action by the public employment relations board. The
45 board of the newly formed district, using the base
46 agreement as its existing contract, shall bargain with
47 the combined employees of the existing districts for
48 the school year beginning with the effective date of
49 the reorganization. The bargaining shall be completed
50 by March 15 prior to the school year in which the

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1 reorganization becomes effective or within one hundred
 2 eighty days after the organization of the new board,
 3 whichever is later unless section 20.22A is used. If
 4 a bargaining agreement was already concluded by the
 5 board and employees of the existing district with the
 6 contract serving as the base agreement for the school
 7 year beginning with the effective date of the
 8 reorganization, that agreement shall be void.
 9 However, if the base agreement contains multiyear
 10 provisions affecting school years subsequent to the
 11 effective date of the reorganization, the base
 12 agreement shall remain in effect as specified in the
 13 agreement."

14 63. Page 23, by inserting before line 1 the
 15 following:

16 "Sec. ____ Section 275.51, unnumbered paragraphs 1
 17 and 2, Code 1987, are amended to read as follows:

18 As an alternative to school district reorganization
 19 prescribed in this chapter, the board of directors of
 20 a school district may establish a school district
 21 dissolution commission to prepare a proposal of
 22 dissolution of the school district and attachment of
 23 all of the entire school district to one or more
 24 contiguous school districts and to include in the or
 25 the dissolution of a portion of a school district and
 26 attachment of that portion to one or more contiguous
 27 school districts if the remaining portion of the
 28 district contains at least three hundred one pupils in
 29 the year in which the dissolution will take effect and
 30 if there are no outstanding bonds in existence in the
 31 school district. The proposal shall include a
 32 division of the assets and liabilities of the
 33 dissolving school district. A dissolution commission
 34 may be established for dissolving a portion of a
 35 district on the board's own motion and shall be
 36 established upon the receipt of a petition signed by
 37 at least sixty percent of the qualified electors
 38 residing within the portion of a district that desires
 39 to be dissolved.

40 The dissolution commission shall consist of seven
 41 members appointed by the board for a term of office
 42 ending either with a report to the board that no
 43 proposal can be approved or on the date of the
 44 election on the proposal. If the dissolution proposal
 45 is for a portion of a school district, four members
 46 must be residents of the portion of the district that
 47 is dissolving. Members of the dissolution commission
 48 must be eligible electors who reside in the school
 49 district, not more than three of whom may be members
 50 of the board of directors of the school district.

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Members shall be appointed from throughout the school district and should represent the various socioeconomic factors present in the school district.

Sec. ____ . Section 275.54, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Within ten days following the filing of the dissolution proposal with the board for the dissolution of an entire school district, the board shall fix a date for a hearing on the proposal which shall not be more than sixty days after the dissolution petition was filed with the board. The board shall publish notice of the date, time, and location of the hearing at least ten days prior to the date of the hearing by one publication in a newspaper in general circulation in the district. The notice shall include the content of the dissolution proposal. A person residing or owning land in the school district may present evidence and arguments at the hearing. The president of the board shall preside at the hearing. The board shall review testimony from the hearing and shall adopt or amend and adopt the dissolution proposal. If the dissolution proposal is for the dissolution of a portion of a school district, the board shall call a special election under section 275.55. The board shall notify by registered mail the boards of directors of all school districts to which area of the affected school district will be attached and the director of the department of education of the contents of the dissolution proposal adopted by the board. If the board of a district to which area of the affected school district will be attached objects to the attachment, that portion of the dissolution proposal will not be included in the proposal voted upon under section 275.55 and the director of the department of education shall attach the area to a contiguous school district. If the board of a district to which area of the affected school district will be attached objects to the division of assets and liabilities contained in the dissolution proposal, section 275.30 applies for the division of assets and liabilities to that district.

Sec. ____ . Section 275.55, unnumbered paragraph 1, Code 1987, is amended to read as follows:

The board of the school district shall call a special election to be held not later than forty days following the date of the final hearing on the dissolution proposal. The special election may be held at the same time as the regular school election. The proposition submitted to the voters residing in the school district at the special election shall

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1 describe each separate area to be attached to a
2 contiguous school district and shall name the school
3 district to which it will be attached. If the special
4 election is for the dissolution of a portion of a
5 school district, only electors residing in the portion
6 of the school district proposing to be dissolved are
7 eligible to vote.

8 Sec. ____ . Section 275.55, unnumbered paragraph 3,
9 Code 1987, is amended to read as follows:

10 The proposition to dissolve an entire school
11 district shall be adopted if a majority of the
12 electors voting on the proposition approve its
13 adoption. The proposition to dissolve a portion of a
14 school district shall be adopted if a sixty-five
15 percent majority of the electors residing in the
16 portion of the district proposing to dissolve who vote
17 on the proposition approve its adoption. If the
18 dissolution of a portion of a school district is not
19 approved, a new proposal shall not be offered for at
20 least twelve months following the date of the
21 election."

22 64. Page 23, by inserting before line 1 the
23 following:

24 "Sec. 106. Section 276.11, Code 1987, is amended
25 by striking the section and inserting in lieu thereof
26 the following:

27 276.11 FUNDING OF COMMUNITY EDUCATION.

28 Moneys received from the capital projects and
29 equipment amount may be expended for community
30 education purposes.

31 Sec. 107. Section 277.2, Code 1987, is amended to
32 read as follows:

33 277.2 SPECIAL ELECTION.

34 The board of directors in any a school corporation
35 may call a special election at which ~~election~~ the
36 voters shall have the powers exercised at the regular
37 election with reference to the sale of school property
38 and the application to be made of the proceeds, the
39 authorization of seven members on the board of
40 directors, the authorization to establish or change
41 the boundaries of director districts, and the
42 authorization of ~~a-schoolhouse-tax-or~~ indebtedness, as
43 provided by law."

44 65. Page 23, by inserting before line 1 the fol-
45 lowing:

46 "Sec. ____ . Section 277.27, Code 1987, is amended
47 to read as follows:

48 277.27 QUALIFICATION.

49 A school officer or member of the board shall, at
50 the time of election or appointment, be an eligible

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elector of the corporation or subdistrict.

Notwithstanding any contrary provision of the Code, no member of the board of directors of any a school district, or director's spouse, shall not receive compensation directly from the school board. No director or spouse affected by this provision on July 1, 1972, whose term of office for which elected has not expired, or whose contract of employment has a fixed date of expiration and has not expired, shall be affected by this provision until the expiration of the term of office to which elected, or the expiration date of the contract for which employed."

66. Page 23, by inserting before line 1 the following:

"Sec. 108. Section 278.1, subsection 5, Code 1987, is amended to read as follows:

5. Direct the transfer of any surplus in the schoolhouse capital projects fund to the general fund.

Sec. 109. Section 278.1, subsection 7, Code 1987, is amended by striking the subsection.

Sec. 110. Section 278.1, unnumbered paragraph 2, Code 1987, is amended to read as follows:

The board may, with approval of sixty percent of the voters, voting in a regular or special election in the school district, make extended time contracts not to exceed twenty years in duration for rental of buildings to supplement existing schoolhouse facilities; and where if it is deemed advisable for buildings to be constructed or placed on real estate owned by the school district, such the contracts may include lease-purchase option agreements, such contracts, with the amounts to be paid out of the schoolhouse capital projects fund using revenues from the voted levy."

67. Page 23, line 17, by inserting after the word "years." the following: "However, the board's initial contract with a superintendent shall not exceed one year if the board is obligated to pay a former superintendent under an unexpired contract."

68. Page 23, by inserting after line 21 the following:

"Sec. 111. Section 279.26, Code 1987, is amended to read as follows:

279.26 LEASE ARRANGEMENTS.

The board of directors of a local school district for which a schoolhouse tax for a lease-purchase option has been voted pursuant to section 278.1, subsection 7, may enter into a rental or lease arrangement, consistent with the purposes for which the schoolhouse tax has been voted, for a period not

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1 exceeding ten years and not exceeding the period for
 2 which the schoolhouse tax for a lease-purchase option
 3 has been authorized by the voters."

4 69. Page 23, by striking lines 22 through 34.

5 70. Page 24, by striking line 9 and inserting the
 6 following: "performed. The schedule of bills allowed
 7 may be published on a once monthly basis in lieu of
 8 publication with the proceedings of each meeting of
 9 the board. The list of claims allowed shall include
 10 the name of the person or".

11 71. Page 24, by striking lines 16 through 18 and
 12 inserting the following: "weeks following the
 13 adjournment of the meeting."

14 72. Page 24, line 22, by striking the words and
 15 figure "sections 279.34 and" and inserting the
 16 following: "section".

17 73. Page 24, line 27, by striking the words and
 18 figure "sections 279.34 and" and inserting the fol-
 19 lowing: "section".

20 74. Page 24, by inserting before line 35, the
 21 following:

22 "Sec. 112. Section 279.41, Code 1987, is amended
 23 to read as follows:

24 279.41 SCHOOLHOUSES AND SITES SOLD -- FUNDS.

25 Any fund received from the condemnation, sale, or
 26 other disposition for public purposes of schoolhouses,
 27 school sites or both schoolhouses and school sites may
 28 be deposited in the schoolhouse capital projects fund
 29 and may without a vote of the electorate be used for
 30 the purchase of school sites or the erection or repair
 31 of schoolhouses or both as ordered by the board of
 32 directors of such the school district,--provided,
 33 however,--that. However, the board shall comply with
 34 section 297.7.

35 Sec. 113. Section 279.42, Code 1987, is amended to
 36 read as follows:

37 279.42 GIFTS TO SCHOOLS.

38 The board of directors of any school district which
 39 receives funds through gifts, devises and bequests may
 40 utilize the same funds, unless limited by the terms of
 41 the grant, in the general or schoolhouse capital
 42 projects fund expenditures.

43 Sec. 114. Section 279.43, subsection 1, Code 1987,
 44 is amended to read as follows:

45 1. The board of directors may pay the actual cost
 46 of removal or encapsulation of asbestos existing in
 47 its school buildings from any funds in the general
 48 fund of the district, funds received from the
 49 ~~schoolhouse-tax-authorized-under-section-278-1,~~
 50 ~~subsection-7~~ capital projects and equipment amount,

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funds from the tax levy certified under section 297.5 or moneys obtained through a federal asbestos loan program, to be repaid from any of the funds specified in this subsection."

75. Page 26, by striking lines 23 through 27 and inserting the following: "school district may enroll the parent's".

76. Page 27, line 4, by inserting after the word "residence." the following: "The notification shall list the educational opportunities that the parent or guardian believes are necessary for the child and shall describe the manner in which the contiguous district can provide those educational opportunities. The state board of education shall adopt rules under chapter 17A that define educational opportunity."

77. Page 27, by striking lines 5 through 14.

78. Page 27, by striking lines 17 through 21 and inserting the following: "period. However, if a parent or guardian chooses to reenroll the child in the district of residence, or to enroll the child in another school district, during the four-year period, the parent or guardian shall pay the maximum tuition fee to the district pursuant to section 282.24."

79. Page 27, by inserting after line 29 the following:

"Following approval of the transfer, the board of the district of residence shall transmit a copy of the form to the contiguous school district. The board of the contiguous school district shall enroll the pupil in a school in the contiguous district for the following school year unless the contiguous district does not have classroom space for the pupil or unless enrolling the pupil in the contiguous district will adversely affect the minority enrollment in a school district in which there is voluntary or court-ordered desegregation."

80. Page 28, by striking lines 26 through 28 and inserting the following: "have been achieved. The committee appointed by the board under section 280.12 shall advise the board concerning the".

81. Page 29, by striking lines 16 through 26.

82. Page 30, by inserting after line 34 the following:

"4. A whole grade sharing agreement shall be signed by the boards of the districts involved in the agreement not later than February 1 of the school year preceding the school year for which the agreement is to take effect."

83. Page 31, by striking lines 5 through 11, and inserting the following: "district that is a party"

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1 a proposed sharing agreement shall hold a public
2 hearing at which the proposed agreement is described,
3 and at which the parent or guardian of an affected
4 pupil shall have an opportunity to comment on the
5 proposed agreement."

6 84. Page 31, line 21, by inserting after the word
7 "factors." the following: "An appeal shall specify a
8 contiguous school district to which the parent or
9 guardian wishes to send the affected pupil."

10 85. Page 31, line 24, by inserting after the word
11 "agreement." the following: "The state board may
12 require the district of residence to pay tuition to
13 the contiguous school district specified by the parent
14 or guardian, or may deny the appeal by the parent or
15 guardian. If the state board requires the district of
16 residence to pay tuition to the contiguous school
17 district specified by the parent or guardian, the
18 tuition shall be equal to the tuition established in
19 the sharing agreement."

20 86. By striking page 31, line 29 through page 32,
21 line 3.

22 87. Page 32, by striking lines 8 through 11 and
23 inserting the following:

24 "2. For one-way sharing, the sending district
25 shall pay no less than one-half of the district cost
26 per pupil of the sending district."

27 88. Page 32, by inserting after line 28 the
28 following:

29 "Sec. 115. Section 283A.9, Code 1987, is amended
30 to read as follows:

31 283A.9 BUILDING FOR SCHOOL LUNCH FACILITY.

32 School districts are authorized to may purchase,
33 erect, or otherwise acquire a building for use as a
34 school lunch facility, and to equip such a building
35 for such that use, and pay for same the acquisition of
36 equipping from unencumbered funds on hand in the
37 schoolhouse fund derived from taxes voted under
38 authority of section 278.17, subsection 77, or 275.32
39 capital projects fund, subject to the terms of this
40 section, or may pay for same the facility or equipment
41 from the proceeds of the sale of school property sold
42 under section 297.22, or from surplus remaining in the
43 schoolhouse capital projects fund after retirement of
44 a bond issued or from a tax voted for said purposes.
45 Funds expended by a school district for new
46 construction of a school lunch facility must first be
47 approved by the voters of the district."

48 89. Page 32, by inserting after line 28 the
49 following:

50 "Sec. . Section 290.1, Code 1987, is amended to

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read as follows:

290.1 APPEAL TO STATE BOARD.

Any ~~any~~ A person aggrieved by ~~any~~ a decision or order of the board of directors of ~~any~~ a school corporation in a matter of law or fact, or a decision or order of a board of directors under section 280.16 may, within thirty days after the rendition of such the decision or the making of such the order, appeal therefrom the decision or order to the state board of education; the basis of the proceedings shall be an affidavit filed with the state board by the party aggrieved within the time for taking the appeal, which affidavit shall set forth any error complained of in a plain and concise manner."

90. Page 32, by inserting after line 28 the following:

"Sec. 116. Section 291.13, Code 1987, is amended to read as follows:

291.13 GENERAL AND-SCHOOLHOUSE, CAPITAL PROJECTS, AND LIABILITY FUNDS.

~~The money collected by a tax authorized by the electors for the capital projects and equipment amount or the proceeds of the sale of bonds authorized by law or the proceeds of a tax estimated and certified by the board for the purpose of paying interest and principal on lawful bonded indebtedness or for the purchase of sites as authorized by law, shall be called the schoolhouse capital projects fund and, except when authorized by the electors, may be used only for the purpose for which originally authorized or certified. The money collected by the liability levy authorized by the board shall be called the liability fund and may be used only for the purposes for which it is authorized or certified. All other moneys received for any other purpose shall be called the general fund. The treasurer shall keep a separate account with each fund, paying no order that fails to state the fund upon which it is drawn and the specific use to which it is to be applied.~~

Sec. 117. Section 291.15, Code 1987, is amended to read as follows:

291.15 ANNUAL REPORT.

The treasurer shall make an annual report to the board at its regular July meeting, which shall show the amount of the general fund ~~and the schoolhouse, the capital projects fund, and the liability fund held over, received, paid out, and on hand, the several funds to be separately stated, and the treasurer shall immediately file a copy of this report with the director of the department of education and a copy~~

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with the county treasurer.

2 Sec. 118. Section 296.7, Code 1987, is amended to
3 read as follows:

4 296.7 INDEBTEDNESS FOR INSURANCE AUTHORIZED -- TAX
5 LEVY.

6 A school district or merged area school corporation
7 is authorized to contract indebtedness and to issue
8 general obligation bonds or enter into insurance
9 agreements obligating the school district or
10 corporation to make payments beyond its current budget
11 year to procure or provide for a policy of insurance,
12 a self-insurance program, or a local government risk
13 pool to protect the school district or corporation
14 from tort liability, loss of property, or any other
15 risk associated with the operation of the school
16 district or corporation. Taxes for the payment of the
17 principal, premium, or interest on such a bond, the
18 payment of such an insurance policy, the payment of
19 the costs of such a self-insurance program, the
20 payment of the costs of such a local government risk
21 pool, and the payment of any amounts payable under any
22 such insurance agreement may be levied in excess of
23 any tax limitation imposed by statute. For a school
24 district, a tax levied under this section shall be
25 included in the liability levy under section 298.4.

26 Such a self-insurance program or local government risk
27 pool is not insurance and is not subject to regulation
28 under chapters 505 through 523C. However, those self-
29 insurance plans regulated pursuant to section 509A.14
30 shall remain subject to the requirements of section
31 509A.14 and rules adopted pursuant to that section.

32 Sec. 119. Section 297.5, unnumbered paragraph 1,
33 Code 1987, is amended to read as follows:

34 The directors in a high school district maintaining
35 a program kindergarten through grade twelve may, by
36 March 15 of each year certify an amount not exceeding
37 twenty-seven cents per thousand dollars of assessed
38 value to the board of supervisors, who shall levy the
39 amount so certified, and the tax so levied shall be
40 placed in the schoolhouse capital projects fund to be
41 used for the purchase and improvement of sites, or for
42 major building repairs for transportation equipment
43 for transporting students if the district has fewer
44 than three pupils per square mile and the regular
45 school routes consist of a single round trip per mile
46 per day, or for educational technology equipment
47 including telecommunications equipment and computer
48 equipment. Any funds expended by a school district
49 for new construction of school buildings or school
50 administration buildings must first be approved by the

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voters of the district.

Sec. 120. Section 297.22, unnumbered paragraph 2, Code 1987, is amended to read as follows:

4 Proceeds from the sale, lease or disposition of
5 real property shall be placed in the schoolhouse
6 capital projects fund and proceeds from the sale,
7 lease or disposition of property other than real
8 property shall be placed in the general fund.

9 Sec. 121. NEW SECTION. 297.35 CONTINUATION OF
10 LOAN AGREEMENT.

11 A loan agreement between a school district and a
12 bank, investment banker, trust company, insurance
13 company, or insurance group that was made under
14 section 297.36 prior to July 1, 1987, in order to make
15 immediately available proceeds of the schoolhouse tax
16 approved by the voters prior to July 1, 1987 shall
17 continue in effect for the duration of the loan
18 agreement.

19 Sec. 122. Section 297.36, Code 1987, is amended to
20 read as follows:

21 297.36 LOAN AGREEMENTS.

22 In order to make immediately available proceeds of
23 ~~the schoolhouse tax which has been approved by the~~
24 ~~voters as provided in section 278.2, subsection 7~~
25 capital projects and equipment amount authorized in
26 section 298.2, the board of directors may, with or
27 without notice the approval of the voters at a regular
28 school election using the procedure specified in
29 section 278.2, borrow money and enter into loan
30 agreements of not to exceed ten years in duration if
31 approved by the board, or the period of years approved
32 at an election if an election is held, in anticipation
33 of the collection of the tax amount with a bank,
34 investment banker, trust company, insurance company,
35 or insurance group.

36 By resolution, the board shall provide for an
37 annual levy and income surtax imposition which is
38 within the limits of the tax approved by the voters
39 amount authorized in section 298.2 to pay for the
40 amount of the principal and interest due each year
41 until maturity. The board shall file a certified copy
42 of the resolution with the auditor of each county in
43 which the district is located and with the director of
44 the department of revenue and finance. The filing of
45 the resolution with the auditor ~~shall make~~ and
46 director of the department of revenue and finance
47 makes it the duty of the auditor to annually levy the
48 amount certified for collection and the duty of the
49 director of the department of revenue and finance to
50 annually impose the surtax, until funds are realized

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1 to repay the loan and interest on the loan in full.

2 The loan must mature within the period of time
3 ~~authorized by the voters~~ and shall bear interest at a
4 rate which does not exceed the limits provided under
5 chapter 74A. A loan agreement entered into pursuant
6 to this section shall be in a form as the board of
7 directors shall by resolution provide and the loan
8 shall be payable as to both principal and interest
9 ~~from the proceeds of the annual levy and imposition of~~
10 ~~the voted-tax-pursuant-to-section-278-i7-subsection-7~~
11 ~~capital projects and equipment amount, or so much~~
12 ~~thereof as will be sufficient to pay the loan and~~
13 ~~interest on the loan.~~

14 The proceeds of a loan must be deposited in a fund
15 which is separate from other district funds. Warrants
16 paid from this fund must be for purposes authorized by
17 ~~the voters as provided in section 278-i7-subsection-7~~
18 ~~for the capital projects and equipment amount.~~

19 This section does not limit the authority of the
20 board of directors to levy and impose the full amount
21 of the voted-tax capital projects and equipment
22 amount, but if and to whatever extent the tax is
23 levied in any year in excess of the amount of
24 principal and interest falling due in that year under
25 a loan agreement, the first available proceeds, to an
26 amount sufficient to meet maturing installments of
27 principal and interest under the loan agreement, shall
28 be paid into the sinking fund for the loan before the
29 taxes are otherwise made available to the school
30 corporation for other school purposes, and the amount
31 required to be annually set aside to pay principal of
32 and interest on the money borrowed under the loan
33 agreement shall constitute constitutes a first charge
34 upon the proceeds of the special-voted-tax capital
35 projects and equipment levy and income surtax, which
36 tax shall be pledged to pay the loan and the interest
37 on the loan.

38 This section is supplemental and in addition to
39 existing statutory authority to finance the purposes
40 specified in section ~~278-i7-subsection-7~~ 298.2, and
41 for the borrowing of money and execution of loan
42 agreements in connection with that section and
43 ~~subsection~~, and is not subject to any other law. The
44 fact that a school corporation may have previously
45 borrowed money and entered into loan agreements under
46 authority of this section does not prevent the school
47 corporation from borrowing additional money and
48 entering into further loan agreements if the aggregate
49 of the amount payable under all of the loan agreements
50 does not exceed the ~~proceeds-of~~ amount approved by the

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voters for anticipation of collection of the tax from
the voted-tax capital projects and equipment amount.

Sec. 123. NEW SECTION. 298.2 CAPITAL PROJECTS
AND EQUIPMENT AMOUNT.

The board of directors of a school district may approve the raising of a capital projects and equipment amount not exceeding the amount that could be raised if a property tax of eighty-one cents per thousand dollars of assessed valuation were levied on all taxable property in the school district. The amount shall be raised by a combination of a property tax and an income surtax imposed on the state income tax in any proportion determined by the board except that the income surtax rate shall not exceed ten percent of the state income tax. Within the limits of the maximum income surtax rate, the property tax rate shall not exceed forty and one-half cents per thousand dollars of assessed valuation of taxable property in the district except as otherwise provided in this section. The property tax rate levied pursuant to a loan agreement continued under section 297.35 shall be subtracted from the limitation of this section.

Within thirty days following the decision of a board to approve a capital projects and equipment amount, if a petition signed by at least twenty percent of the qualified electors residing within the district is received by the board, or on the board's own motion, then the proposal to raise the capital projects and equipment amount shall be placed on the ballot at a regular or special election, as determined by the board. The board may specify a different proportion between the property tax and the income surtax on the state individual income tax for the election, within the limits of the maximum income surtax rate, and the board may provide that any portion of the capital projects and equipment amount may be raised by a property tax levy or an income surtax. If an election is required, the proposition to approve the amount is approved with a simple majority vote. The proposition may include a provision for approval of the amount for a specified number of years not to exceed ten.

Notice of the election shall be given by the county commissioner of elections by publication in accordance with section 49.53.

The board of directors shall estimate and certify to the board of supervisors of the proper county for the capital projects fund, the amount required from property tax revenues based upon the decision of the board. The board of directors shall estimate and

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1 certify to the director of revenue and finance for the
 2 capital projects fund, the amount required from the
 3 income surtax to pay the remaining portion of the
 4 capital projects and equipment amount. Annually the
 5 director of revenue and finance shall establish the
 6 rate of the income surtax based upon an average of the
 7 income tax collections in the school district for the
 8 three preceding years.

9 The income surtax shall be imposed on the state
 10 individual income tax for each calendar year, or for a
 11 taxpayer's fiscal year ending during the second half
 12 of that calendar year or the first half of the
 13 succeeding calendar year, and shall be imposed on all
 14 individuals residing in the school district on the
 15 last day of the applicable tax year. As used in this
 16 section, "state individual income tax" means the tax
 17 computed under section 422.5, less the deductions
 18 allowed in sections 422.10, 422.11, and 422.12.

19 Sections 442.16, 442.17, 442.19, and 442.20 apply
 20 to the income surtax established in this section. The
 21 director of revenue and finance shall deposit all
 22 moneys received as income surtax to the credit of each
 23 district from which the moneys are received, in an
 24 "income surtax fund" which is established in the
 25 office of the treasurer of state.

26 Annually, after crediting to the department of
 27 revenue and finance a reasonable amount for costs of
 28 administration, the treasurer of state shall remit to
 29 the school districts which have imposed an income
 30 surtax their share of the balance in the income surtax
 31 fund. The proceeds of the tax shall be pledged for
 32 the payment of the capital projects and equipment
 33 amount. The costs of administration shall be
 34 determined by the department of revenue and finance,
 35 and shall be based on a share of the total cost of
 36 administering the department, in the same proportion
 37 as the amount of income surtax collected is to the
 38 amount of state income taxes collected.

39 The department of revenue and finance shall supply
 40 appropriate forms, or provide space on the regular
 41 state income tax forms, for reporting school district
 42 income tax liability, and shall administer the income
 43 surtax as nearly as possible in conjunction with the
 44 administration of the state income tax law, for
 45 purposes of economy and efficiency. The department of
 46 revenue and finance shall adopt rules to carry out the
 47 income surtax. The amount of income surtax collected
 48 above the amount estimated to be collected shall be
 49 placed in a separate income surtax account in the
 50 capital projects fund to be used to supplement the

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surtax portion during years in which the amount of income surtax collected is less than the amount estimated to be collected.

In any year that the amount of income surtax collected plus the amount in the separate account are insufficient, the board of directors shall deduct the remainder from moneys in the general fund of the school district and the board of directors shall repay the amount borrowed when funds are available in the separate account.

Sec. 124. NEW SECTION. 298.3 PURPOSES OF CAPITAL PROJECTS AND EQUIPMENT AMOUNT.

The revenue from the property tax and income surtax shall be placed in the capital projects fund and expended only for the following purposes:

1. The purchase and improvement of grounds.

"Purchase of grounds" includes: legal costs relating to the property acquisition, costs of surveys of the property, costs of relocation assistance under state and federal law, and other costs incidental to the property acquisition. "Improvement of grounds" includes: Grading, landscaping, seeding, and planting of shrubs and trees; constructing sidewalks, roadways, retaining walls, sewers and storm drains, and installing hydrants; surfacing and soil treatment of athletic fields and tennis courts; furnishing and installing flagpoles, gateways, fences, and underground storage tanks which are not parts of building service systems; demolition work; and special assessments against the school district for capital improvements such as streets, curbs, and drains.

2. Opening roads to schoolhouses or buildings.

3. The purchase of equipment for buildings or schoolhouses, including the purchase of educational technology equipment.

4. Procuring or acquisition of libraries but not library buildings.

5. The purchase of school textbooks if under chapter 301 the school district is loaning the textbooks to pupils at no charge.

6. Repairing, remodeling, reconstructing, or improving the schoolhouse or buildings.

For the purpose of this section, "repairing" means to restore an existing structure or thing to its original condition, as near as may be, after decay, waste, injury, or partial destruction, but does not include maintenance or customary repainting; and "reconstruction" means to rebuild or to restore as an entity a thing which was lost or destroyed.

7. The rental of facilities under chapter 28E.

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1 Annually, the board must reapprove the rental.

2 8. Purchase of transportation equipment for trans-
3 porting students if the district has fewer than three
4 pupils per square mile and the regular school routes
5 consist of a single round trip per child per day.

6 9. Public educational and recreational purposes
7 authorized in chapter 300.

8 10. Community education purposes authorized in
9 chapter 276.

10 Interest earned on money in the capital projects
11 fund may be expended for a purpose listed in this
12 section.

13 Sec. 125. NEW SECTION. 298.4 LIABILITY LEVY.

14 The board of directors of a school district may
15 certify for levy by March 15 of a school year, a tax
16 on all taxable property in the school for a liability
17 levy. The revenue from the tax levied in this section
18 shall be placed in the liability fund of the school
19 district and expended only for the following purposes:

20 1. To pay the cost of unemployment benefits as
21 provided in section 96.31.

22 2. To pay the costs of tort liability insurance
23 and the costs of a judgment or settlement relating to
24 tort liability together with interest accruing on the
25 judgment or settlement to the expected date of payment
26 under sections 613A.7 and 613A.10.

27 3. To pay the costs of insurance agreements under
28 section 296.7.

29 Sec. 126. Section 298.16, Code 1987, is amended to
30 read as follows:

31 298.16 JUDGMENT TAX.

32 If the proper fund is not sufficient, then, unless
33 its board has provided by the issuance of bonds for
34 raising the amount necessary to pay such a judgment,
35 ~~the voters thereof shall at their regular election~~
36 ~~vote a sufficient tax for the purpose~~ cost of the
37 judgment shall be included in the liability levy as
38 provided in section 613A.10.

39 Sec. 127. Section 298.18, unnumbered paragraph 1,
40 Code 1987, is amended to read as follows:

41 The board of each school corporation shall, when
42 estimating and certifying the amount of money required
43 for general purposes, estimate and certify to the
44 board of supervisors of the proper county for the
45 ~~schoolhouse~~ capital projects fund the amount required
46 to pay interest due or that may become due for the
47 fiscal year beginning July 1, thereafter, upon lawful
48 bonded indebtedness, and in addition ~~thereto such~~ the
49 amount as the board may deem necessary to apply on the
50 principal.

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Sec. 128. Section 300.2, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

300.2 FUNDING FOR RECREATIONAL PURPOSES.

Moneys received from the capital projects and equipment levy may be expended for the purposes listed in section 300.1."

91. Page 33, by striking lines 4 through 17 and inserting the following:

"Sec. _____. Section 442.4, subsection 3, paragraphs a and b, Code 1987, are amended to read as follows:

a. Twenty-five percent of the basic enrollment for the school year beginning July 1, 1979. However, if the basic enrollment of a school district for a budget year is more than fifteen percent higher than the basic enrollment of the district for the base year, the school district's basic enrollment for the budget year shall be used thereafter for the calculation required under this paragraph in lieu of using the basic enrollment for the school year beginning July 1, 1979. However, for the school year beginning July 1, 1988, the twenty-five percent portion shall be reduced to twenty percent, and for the school year beginning July 1, 1989 and each succeeding school year, the twenty-five percent portion shall be reduced to fifteen percent.

b. Seventy-five percent of the adjusted enrollment computed under subsection 2, paragraph "a," of this section. However, for the school year beginning July 1, 1988, the seventy-five percent portion shall be increased to eighty percent, and for the school year beginning July 1, 1989 and each succeeding school year, the seventy-five percent portion shall be increased to eighty-five percent."

92. By striking page 33, line 20 through page 34, line 4, and inserting the following:

"5. 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

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1 school district for the base year, the department of
 2 management shall increase the budget enrollment for
 3 the school district for the budget year to a number
 4 which will provide that one hundred two percent
 5 amount. For each of the school years beginning July
 6 1, 1988 and July 1, 1989, the one hundred two percent
 7 amount shall be reduced by five-tenths of one percent
 8 so that for the school year beginning July 1, 1989 and
 9 each succeeding school year, the guarantee amount for
 10 the budget year is one hundred one percent times an
 11 amount equal to the district cost per pupil for the
 12 base year minus the amount included in the district
 13 cost per pupil for the base year to compensate for the
 14 cost of special education support services for a
 15 school district for the base year times the budget
 16 enrollment for the school district for the base year."

17 93. Page 34, line 7, by striking the figure
 18 "1980" and inserting the following: "1988 1988".

19 94. By striking page 34, line 13 through page 35,
 20 line 28.

21 95. Page 35, by inserting before line 29 the
 22 following:

23 "Sec. 129. Section 442.5, subsection 1, paragraph
 24 a, Code 1987, is amended to read as follows:

25 a. "Miscellaneous income" means all receipts
 26 deposited to the general fund of a school district
 27 which are not obtained from state aid provided under
 28 section 442.1 or from property tax authorized under
 29 section 442.2 or 442.9. ~~Miscellaneous income includes~~
 30 ~~property tax levied under the provisions of section~~
 31 ~~643A-77 to fund the costs of tort liability insurance~~
 32 ~~for the school district.~~

33 Sec. 130. Section 442.5, subsection 1, paragraph
 34 b, Code 1987, is amended by striking the paragraph and
 35 inserting in lieu thereof the following:

36 b. "Expenditures" means the total amounts paid out
 37 of the general fund of a school district.

38 Sec. 131. Section 442.13, subsection 7, Code 1987,
 39 is amended to read as follows:

40 7. The committee may authorize a district to spend
 41 a reasonable and specified amount from its unexpended
 42 cash balance for the purpose or purposes of
 43 furnishing, equipping, and contributing to the
 44 construction of a new building or structure for which
 45 the voters of the district have approved a bond issue
 46 as provided by law or a tax as provided in chapter 278
 47 and for major building repairs as defined in section
 48 297-5, and for the purposes listed in section 298.2,
 49 subsections 2, 3, 4, and 7. No other expenditure,
 50 including but not limited to expenditures for salaries

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or recurring costs, ~~shall be~~ is authorized under this subsection. Expenditures authorized under this subsection shall not be included in allowable growth or district cost, and the portion of the unexpended cash balance which is authorized to be spent shall be regarded as if it were miscellaneous income. Any part of such the amount which is not actually spent for the authorized purpose ~~shall revert~~ reverts to its former status as part of the unexpended cash balance."

96. Page 35, by inserting before line 29 the following:

"Sec. ____ . Section 442.14, subsection 1, Code 1987, is amended to read as follows:

1. For the budget year beginning July 1, 1980, and each succeeding school year, if a school board wishes to spend more than the amount permitted under sections 442.1 to 442.13, and the school board has not attempted by resolution to raise an additional enrichment amount for that budget year, the school board may raise an additional enrichment amount not to exceed ten percent of the state cost per pupil multiplied by the budget enrollment in the district, as provided in this section. For the budget year beginning July 1, 1988 and each succeeding school year, the additional enrichment amount that may be raised is an amount not to exceed fifteen percent of the state cost per pupil multiplied by the budget enrollment in the district. The additional five percent is to provide additional moneys for districts because of budget reductions incurred beginning July 1, 1988 under sections 442.4, subsections 3 and 5.

Sec. ____ . Section 442.14, subsection 4, Code 1987, is amended to read as follows:

4. The additional enrichment amount for a district is limited to the amount which may be raised by a combination tax in the prescribed proportion which does not exceed a property tax of one dollar and eighty-sixty-two cents per thousand dollars of assessed valuation and an income surtax of twenty thirty percent.

Sec. ____ . Section 442.15, unnumbered paragraph 3, Code 1987, is amended to read as follows:

An additional enrichment amount authorized under section 442.14 or a lesser amount than the amount so authorized may be continued as provided in this section for a period of five school years. If the amount authorized is less than the maximum of ten fifteen percent of the state cost per pupil and the board wishes to increase the amount, it shall establish its authority to do so in the manner

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1 provided in section 442.14. If the board wishes to
2 continue any additional enrichment amount beyond the
3 five-year period, it shall re-establish its authority
4 to do so in the manner provided in section 442.14
5 within the twelve-month period prior to termination of
6 the five-year period."

7 97. Page 35, by inserting before line 29 the
8 following:

9 "Sec. _____. Section 442.39, subsection 4,
10 unnumbered paragraph 1, Code 1987, is amended to read
11 as follows:

12 Pupils enrolled in a school district in which one
13 or more administrators are employed jointly under
14 section 280.15, or in which one or more administrators
15 are employed under section 273.7A, are assigned a
16 weighting of one plus five-hundredths for each
17 administrator who is jointly employed times the
18 percent of the administrator's time in which the
19 administrator is employed in the school district.
20 However, the total additional weighting assigned under
21 this subsection for a budget year for a school
22 district is fifteen.

23 Sec. _____. Section 442.39, subsection 4, paragraph
24 b, Code 1987, is amended to read as follows:

25 b. School administrators, which includes
26 principals if the principal is not also assigned the
27 duties of a superintendent, assistant principals, and
28 other assistants in general supervision of the
29 operations of the school. School-administrators-ees
30 not-include-principals."

31 98. Page 35, by inserting before line 29 the
32 following:

33 "Sec. 132. Section 453.14, unnumbered paragraph 2,
34 Code 1987, is amended to read as follows:

35 Earnings and interest from investments authorized
36 by this section shall be used either to retire the
37 bonded indebtedness or to be credited to the
38 schoolhouse capital projects fund for the purpose of
39 financing the construction or equipping of the school
40 building for which the bonds were sold."

41 99. By striking page 35, line 29 through page 36,
42 line 8.

43 100. Page 36, by inserting after line 8 the
44 following:

45 "Sec. 133. Section 613A.7, Code 1987, is amended
46 to read as follows:

47 613A.7 INSURANCE.

48 The governing body of any municipality may purchase
49 a policy of liability insurance insuring against all
50 or any part of liability which might be incurred by

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such municipality or its officers, employees and agents under the provisions of section 613A.2 and section 613A.8 and may similarly purchase insurance covering torts specified in section 613A.4. The governing body of any municipality may adopt a self-insurance program, including but not limited to the investigation and defense of claims, the establishment of a reserve fund for claims, the payment of claims, and the administration and management of the self-insurance program, to cover all or any part of the liability. The governing body of any municipality may join and pay funds into a local government risk pool to protect itself against any or all liability. The governing body of any municipality may enter into insurance agreements obligating the municipality to make payments beyond its current budget year to provide or procure such policies of insurance, self-insurance program, or local government risk pool. The premium costs of such insurance, the costs of such a self-insurance program, the costs of a local government risk pool, and the amounts payable under any such insurance agreements may be paid out of the general fund or any available funds or may be levied in excess of any tax limitation imposed by statute. For school districts, the costs in excess of any tax limitation imposed by statute shall be included in the liability levy as provided in section 296.7. Any independent or autonomous board or commission in the municipality having authority to disburse funds for a particular municipal function without approval of the governing body may similarly enter into insurance agreements, procure liability insurance, adopt a self-insurance program, or join a local government risk pool within the field of its operation. The procurement of such insurance constitutes a waiver of the defense of governmental immunity as to those exceptions listed in section 613A.4 to the extent stated in such policy but shall have no further effect on the liability of the municipality beyond the scope of this chapter, but if a municipality adopts a self-insurance program or joins and pays funds into a local government risk pool such action does not constitute a waiver of the defense of governmental immunity as to the exceptions listed in section 613A.4. The existence of any insurance which covers in whole or in part any judgment or award which may be rendered in favor of the plaintiff, or lack of any such insurance, shall not be material in the trial of any action brought against the governing body of any municipality, or its officers, employees or agents and

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1 any reference to such insurance, or lack of same,
2 shall be grounds for a mistrial. A self-insurance
3 program or local government risk pool is not insurance
4 and is not subject to regulation under chapters 505
5 through 523C.

6 Sec. 134. Section 613A.10, Code 1987, is amended
7 to read as follows:

8 613A.10 TAX TO PAY JUDGMENT OR SETTLEMENT.

9 When a final judgment is entered against or a
10 settlement is made by a municipality for a claim
11 within the scope of section 613A.2 or 613A.8, payment
12 shall be made and the same remedies shall apply in the
13 case of nonpayment as in the case of other judgments
14 against the municipality. If said a judgment or
15 settlement is unpaid at the time of the adoption of
16 the annual budget, ~~it~~ the municipality shall budget an
17 amount sufficient to pay the judgment or settlement
18 together with interest accruing thereon on it to the
19 expected date of payment. Such a tax may be levied in
20 excess of any limitation imposed by statute. For
21 school districts the costs of a judgment or settlement
22 under this section in excess of any limitation imposed
23 by statute shall be included in the liability levy
24 pursuant to section 298.7."

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

27 "Sec. ____ . RETIREMENT INCENTIVES. The board of
28 directors of a school district may adopt a program for
29 payment of a monetary bonus, continuation of health or
30 medical insurance coverage, or other incentives for
31 encouraging its employees to retire before the normal
32 retirement date as defined in chapter 97B. The
33 program is available only to employees between fifty-
34 nine and sixty-five years of age who notify the board
35 at any time between the effective date of this Act and
36 March 1, 1988 that they intend to retire not later
37 than June 30, 1988. An employee retiring under this
38 section shall apply for a retirement allowance under
39 chapter 97B or chapter 294. If the total estimated
40 accumulated cost to a school district of the bonus or
41 other incentives for employees who retire under this
42 section does not exceed the estimated savings in
43 salaries and benefits for employees who replace the
44 employees who retire under the program, the board may
45 certify for levy not later than March 15, 1988 a tax
46 on all taxable property in the school district to pay
47 the costs of the program provided in this section.
48 The levy certified under this section is in addition
49 to any other levy authorized for that school district
50 by law and is not subject to budget limitations

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otherwise provided by law. A board may amend its certified budget during a fiscal year to provide for payments required under this section. Moneys received from the levy imposed under this section are miscellaneous income for purposes of chapter 442."

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

"Sec. _____. The legislative council is requested to appoint a task force consisting of members of the house and senate committees on education and representatives from various education interest groups and institutions providing approved teacher preparation programs to study the role of teachers in the school district, assistance to teachers to foster the development of effective schools, provision for teachers to assume a more active role in educational planning in a school district, and the requirements for teacher preparation programs for the twenty-first century based upon recent recommendations of national associations and organizations who have studied teaching as a profession.

The task force shall report its recommendations to the general assembly by February 1, 1988."

103. Page 36, by inserting after line 10 the following:

"Sec. 135. Sections 298.7, 298.9 and 298.17, Code 1987, are repealed."

104. Page 36, by inserting after line 10 the following:

"Sec. _____. Section 279.34, Code 1987, is repealed."

105. Page 36, line 11, by striking the figures and word "46, 52 through 55" and inserting the following: "and 46".

106. Page 36, line 13, by striking the word "through" and inserting the following: ", 53, and".

107. Page 36, by striking lines 15 and 16 and inserting the following: "effective date of those sections. Sections 47 and 60 of this Act take effect for the school year beginning July 1, 1988. Section 280.16, Code 1987, remains in effect for the school year beginning July 1, 1987."

108. Page 36, by inserting after line 16 the following:

"Sec. _____. Sections 100 through 135 of this Act take effect October 1, 1987."

109. Title page, line 8, by inserting after the word "process:" the following: "collective bargaining; certification of school district employees; provision of certain services to school

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1 districts and other area education agencies by area
2 education agencies; provision of pilot projects for
3 modified block scheduling by school districts and for
4 year around schools; election of school board
5 directors; elimination of prohibition of employment of
6 spouses of school board directors; weighting of school
7 administrators; changing the name of the schoolhouse
8 fund to the capital projects fund; establishing a
9 capital projects and equipment amount to be raised by
10 a combination of an income surtax and property tax
11 levy; establishing a liability levy; establishing
12 sabbatical programs for teachers; the examination of
13 teachers; dissolution of a portion of a school
14 district; increasing the enrichment amount; retirement
15 incentives; studying the role of teachers;".
16 110. Title page, by striking lines 11 through 14
17 and inserting the following: "school students; date
18 of the organizational meeting of".
19 111. By renumbering, relettering, or
20 redesignating and correcting internal references as
21 necessary.

H-3878 FILED APRIL 20, 1987

RECEIVED FROM THE SENATE

Adopted as amended by 3913A v
4829

HOUSE FILE 499

H-4089

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by striking lines 3 through 6.

5 2. Page 1, by striking lines 18 through 23 and
6 inserting the following: "the allocations of moneys
7 for phases I and II are made prior to the allocation
8 of moneys for phase III."

9 3. Page 2, by striking lines 1 through 27 and
10 inserting the following:

11 "____. Page 5, by striking lines 23 and 24 and
12 inserting the following: "teachers. For each fiscal
13 year, the department of education shall allocate to".

14 _____. By striking page 5, line 27 through page 6,
15 line 17, and inserting the following: "multiplied by
16 the district's certified enrollment and to each area
17 education agency for the purpose of implementing phase
18 II an amount equal to three dollars and fifty-five
19 cents multiplied by the enrollment served in the area
20 education agency, if the general assembly has
21 appropriated sufficient moneys to the fund so that
22 pursuant to section 294A.3, thirty-eight million five
23 hundred thousand dollars will be allocated by the
24 department to school districts and area education
25 agencies for phase II. If, because of the amount of
26 the appropriation made by the general assembly to the
27 fund, less than thirty-eight million five hundred
28 thousand dollars is allocated for phase II, the
29 department of education shall adjust the amount for
30 each student in certified enrollment and each student
31 in enrollment served based upon the amount allocated
32 for phase II."

33 _____. Page 6, line 19, by inserting after the word
34 "allocations" the following: "for each school
35 district and area education agency".

36 4. Page 2, by inserting before line 28 the
37 following:

38 "____. Page 7, line 19, by striking the word
39 "June" and inserting the following: "July"."

40 5. By striking page 2, line 50 through page 3,
41 line 14.

42 6. By striking page 3, line 17 through page 4,
43 line 12, and inserting the following:

44 "____. Page 9, by striking lines 15 through 30 and
45 inserting the following:

46 "For each fiscal year, the department shall
47 allocate the remainder of the moneys appropriated by
48 the general assembly to the fund for phase III,
49 subject to section 294A.16B. If fifty million dollars
50 is allocated for phase III, the payments for an

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Page Two

1 approved plan for a school district shall be equal to
 2 the product of a district's certified enrollment and
 3 ninety-eight dollars and sixty-three cents, and for an
 4 area education agency shall be equal to the product of
 5 an area education agency's enrollment served and four
 6 dollars and sixty cents. If the moneys allocated for
 7 phase III are either greater than or less than fifty
 8 million dollars, the department of education shall
 9 adjust the amount for each student in certified
 10 enrollment and each student in enrollment served based
 11 upon the amount allocated for phase III."

12 7. Page 4, by striking lines 27 through 29.

13 8. Page 4, by inserting after line 43 the
 14 following:

15 "____. Page 13, line 34, by inserting after the
 16 word "plan" the following: "and its budget".

17 "____. Page 14, line 3, by inserting after the word
 18 "plan" the following: "and budget".

19 "____. Page 14, by striking lines 5 and 6 and
 20 inserting the following: "the school districts and
 21 area education agencies not later than February 15,
 22 1988 that their plans have been approved by the
 23 department. Final approval of budgets for approved
 24 phase III plans shall be determined by the department
 25 of education after the certification required in
 26 section 294A.16B but not later than February 15, 1988.
 27 The department of education shall notify the
 28 department of revenue and finance of the amounts of
 29 payments to be made to each school district and area
 30 education agency that has an approved plan. Moneys".

31 9. Page 5, by striking lines 11 through 32 and
 32 inserting the following: "programs may provide for
 33 increasing teacher salary costs for twelve month
 34 contracts for vocational agriculture teachers."

35 10. Page 5, by inserting before line 33 the
 36 following:

37 "Sec. ____ . NEW SECTION. 294A.16B DETERMINATION
 38 OF PHASE III ALLOCATION.

39 On February 1, 1988, the governor shall certify to
 40 the department of education the amount of money
 41 available for allocation under phase III. If pursuant
 42 to any provision of law, the governor certifies an
 43 amount lower than the allocation that would otherwise
 44 be made under this chapter, the department of
 45 education shall adjust the amount for each student in
 46 certified enrollment and each student in enrollment
 47 served pursuant to section 294A.14 and shall review
 48 the budgets of the approved plans."

49 11. By striking page 5, line 46 through page 6,
 50 line 4.

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Page Three

1 12. Page 7, by striking lines 11 through 27.

2 13. Page 7, by striking lines 41 and 42, and
3 inserting the following:

4 "_____. Page 15, by striking lines 25 through 35
5 and inserting the following: "merged area schools.
6 The plans shall be reported to the general assembly
7 not later than October 1, 1987.

8 In addition, the state board shall develop plans
9 for redrawing the boundary lines of area education

10 agencies so that the total number of area education
E11 agencies is no fewer than four and no greater than

12 twelve. The state board shall also study the
13 governance structure of the merged area schools,

14 including but not limited to governance at the state
15 level with a director of area school education serving

16 under a state board. The plans relating to the area
17 education agencies and merged area schools shall be

18 submitted to the general assembly not later than
19 January 8, 1990.

20 PARAGRAPH DIVIDED. The focus of the".

21 _____ Page 16, by striking lines 5 through 12."

22 14. Page 8, by striking lines 33 and 34 and
23 inserting the following: "is signed by at least

24 twenty percent of the number of registered voters
25 voting in the preceding school election."

26 15. Page 15, by striking lines 17 through 41.

27 16. Page 15, by striking lines 9 through 44.

28 17. Page 16, line 45, by striking the figure "29"
F29 and inserting the following: "34".

30 18. Page 17, by striking lines 15 through 27.

31 19. By striking page 18, line 4 through page 19,
32 line 20.

33 20. By striking page 20, line 14 through page 22,
G34 line 21.

35 21. Page 22, by striking lines 22 through 43.

36 22. Page 23, by striking lines 13 through 34.

37 23. By striking page 23, line 40 through page 24,
38 line 3.

39 24. Page 24, by inserting after line 19, the
40 following:

41 "_____. Page 24, by inserting after line 34 the
42 following:

43 "Sec. _____. NEW SECTION. 279.46 RETIREMENT

H44 INCENTIVES.

45 The board of directors of a school district may
46 adopt a program for payment of a monetary bonus,
47 continuation of health or medical insurance coverage,
48 or other incentives for encouraging its employees to
49 retire before the normal retirement date as defined in
50 chapter 978. The program is available only to

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Page four

1 employees between fifty-nine and sixty-five years of
 2 age who notify the board of directors prior to March 1
 3 of the fiscal year that they intend to retire not
 4 later than the next following June 30. An employee
 5 retiring under this section shall apply for a
 6 retirement allowance under chapter 97B or chapter 294.
 7 If the total estimated accumulated cost to a school
 8 district of the bonus or other incentives for
 9 employees who retire under this section does not
 10 exceed the estimated savings in salaries and benefits
 11 for employees who replace the employees who retire
 12 under the program, the board may certify for levy a
 13 tax on all taxable property in the school district to
 14 pay the costs of the program provided in this section.
 15 The levy certified under this section is in addition
 16 to any other levy authorized for that school district
 17 by law and is not subject to budget limitations
 18 otherwise provided by law. A board may amend its
 19 certified budget during a fiscal year to provide for
 20 payments required under this section. Moneys received
 21 from the levy imposed under this section are
 22 miscellaneous income for purposes of chapter 442."

- 23 25. By striking page 24, line 20 through page 25,
- 24 line 4.
- 25 26. Page 25, by striking lines 5 through 7 and
- 26 inserting the following:
- 27 "____. Page 26, by striking lines 21 through 24
- 28 and inserting the following:
- 29 "For the school years commencing July 1, 1988 and
- 30 July 1, 1989, a parent or guardian residing in a
- 31 school district in which the high".
- 32 _____. Page 26, line 25, by striking the word
- 33 "academic"."
- 34 27. Page 25, by striking lines 32 through 36 and
- 35 inserting the following: "does not have classroom
- 36 space for the pupil."
- 37 28. Page 26, by striking lines 27 through 47.
- 38 29. Page 26, line 50, by striking the word "Sec"
- 39 and inserting the following: "Sec."
- 40 30. By striking page 27, line 15 through page 35,
- 41 line 7.
- 42 31. Page 35, by striking lines 22 through 26 and
- 43 inserting the following: "1989 and each succeeding
- 44 school year, the twenty-five percent portion shall be
- 45 reduced to twenty percent."
- 46 32. Page 35, by striking lines 30 through 34 and
- 47 inserting the following: "1, 1989 and each succeeding
- 48 school year, the seventy-five percent portion shall be
- 49 increased to eighty percent."
- 50 33. By striking page 36, line 21 through page 37,

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Page Five

1 line 9.

2 34. Page 37, line 47, by striking the word "ten"
3 and inserting the following: "ten".

4 35. Page 38, line 22, by inserting after the word
5 "fifteen" the following: "and the total additional
6 weighting that may be added cumulatively to the
7 enrollment of school districts sharing an
8 administrator is twenty-five".

9 36. Page 38, by striking lines 23 through 30.

10 37. Page 38, by striking lines 31 through 40.

11 38. By striking page 38, line 43 through page 40,
12 line 24.

13 39. By striking page 40, line 25 through page 41,
14 line 5.

15 40. Page 41, by inserting after line 23 the
16 following:

17 "Sec. ____ . The legislative council shall appoint a
18 working committee to conduct a comprehensive study of
19 school finance and make recommendations for a school
20 finance program for Iowa for the 1990's and beyond.
21 The study shall include a review of the present school
22 finance formula, the property tax burden on taxpayers
23 of the various school districts including the property
24 assessment practices prescribed in sections 441.18
25 through 441.21, and the effect upon the formula of
26 additional moneys provided to improve teacher salaries
27 as well as a review of the following proposals:

28 1. Senate File 2298, introduced during the 1986
29 session of the general assembly.

30 2. The final report of the excellence in education
31 study committee which met during the 1985 interim.

32 3. The final report of the property tax issues
33 study committee which met during the 1986 interim.

34 4. The final report of the state tax reform study
35 committee which met during the 1986 interim.

36 The working committee appointed by the legislative
37 council shall be composed of members of both political
38 parties and both houses who are members of the
39 committees on education and the committees on ways and
40 means and members who represent the department of
41 education, education interest groups, and other
42 organizations and associations interested in school
43 finance.

44 The committee shall be staffed by the legislative
45 service bureau and the legislative fiscal bureau. The
46 committee shall begin its deliberations following the
47 adjournment of the 1987 session of the general
48 assembly and shall issue its report of recommendations
49 which shall include a school aid formula to replace
50 the formula within chapter 442, by January 1, 1989.

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Page Six

1 It is the intent of the general assembly that the
2 general assembly meeting in 1989 shall enact a school
3 aid formula to replace the formula contained in
4 chapter 442 of the Code. The new formula shall take
5 effect for the computations and procedures needed
6 during the school year beginning July 1, 1990 in order
7 to implement the new formula for the school year
8 beginning July 1, 1991."

9 41. Page 41, by inserting after line 23 the
10 following:

11 "____. Page 36, by inserting after line 8 the
12 following:

13 "Sec. 100. For an appeal filed with the state
14 board of education under chapter 290 between February
15 18, 1987 and February 20, 1987 relating to a decision
16 of a board of directors of a school district for
17 school district restructuring, the state board of
18 education shall consider all of the following factors:

19 1. The continuity of the educational program of
20 the district.

21 2. Cost effectiveness when the restructuring is
22 compared to other alternatives.

23 3. The quality and physical condition of the
24 school district facilities affected.

25 4. The past and present student enrollment in the
26 affected area compared to the total past and present
27 student enrollment in the district.

28 5. Restructuring recommendations of a citizens
29 task force appointed by the board of directors.

30 6. Transportation changes required because of
31 restructuring and their impact upon participation in
32 student activities.

33 7. Presence or absence of violations by the board
34 of directors of the school district of rules and
35 guidelines adopted or promulgated by the state
36 board."

37 42. Page 41, by inserting after line 23, the
38 following:

39 "____. Page 36, by inserting after line 8 the
40 following:

41 "Sec. _____. The state board of education shall
42 study the feasibility of enacting permanent
43 legislation that would allow school students residing
44 in school districts to attend school in other school
45 districts and shall report its conclusions to the
46 general assembly not later than January 1, 1988. The
47 state board shall consider, but not be limited to, the
48 conditions under which such a transfer might be made,
49 the requirements for an appeal process by either
50 party, the method and determination of payment,

- M 1 transportation efficiency, and impact on the
- 2 educational system of the state."
- 3 43. Page 41, by striking lines 24 through 27.
- 4 44. Page 41, by striking lines 32 through 34 and
- 5 inserting the following:
- 6 " . Page 36, by striking line 11, and inserting
- 7 the following:
- 8 "Sec. . Chapter 294A and section 100 of".
- 9 45. Page 41, by striking lines 43 through 46.
- 10 46. Page 41, by inserting before line 47 the
- 11 following:
- 12 " . Page 36, by inserting after line 16 the
- 13 following:
- 14 "Sec. . Chapter 261C, Code 1989, is repealed
- 15 June 30, 1990.
- 16 Sec. . Chapter 442, Code 1991, is repealed June
- 17 30, 1991."
- 18 47. Page 42, lines 4 and 5, by striking the words
- 19 "election of school board directors;"
- 20 48. Page 42, by striking lines 7 through 14 and
- 21 inserting the following: "administrators;
- 22 establishing sabbatical programs for teachers;
- 23 increasing the enrichment amount; providing for
- 24 appeals of certain decisions of school districts;
- 25 retirement".
- 26 49. Page 42, line 16, by striking the word and
- 27 figures "11 through 14" and inserting the following:
- 28 "13 through 16".
- 29 50. Page 42, by striking lines 17 and 18, and
- 30 inserting the following: "and inserting the
- 31 following: "schools; date of the organizational
- 32 meeting of school corporations; sharing
- 33 interscholastic activity programs;"

A- o/o (p. 1822)
 B- ~~Adopted~~ (p. 1822)
 D- ~~Adopted~~ (p. 1824)
 C- ~~Adopted~~ (p. 1826)
 E- ~~Adopted~~ (1826)
 G- " (1827)
 H- " (1829)
 I- " (1831)
 J- " "
 K- " (1832)
 L- " (1832)
 M- " "

H-4089 FILED APRIL 30, 1987 BY OLLIE of Clinton
 HAVERLAND of Polk
 DIVISIONS B,C,D,E,F,G,H,I,J,K,L & M ADOPTED. A - OUT OF ORDER
 (p. 1822) HOUSE FILE 499 (p. 1822) (p. 1822)

- H-4088
- 1 Amend the Senate amendment, H-3878, to House File
 - 2 499 as amended, passed, and reprinted by the House as
 - 3 follows:
 - 4 1. By striking page 16, line 45 through page 17,
 - 5 line 14.
 - 6 2. By striking page 17, line 33 through page 18,
 - 7 line 3.
 - 8 3. Page 38, by striking lines 9 through 22.

H-4088 FILED APRIL 30, 1987 BY DAGGETT of Adams
 LOST (p. 1828)
 H-4055

- 1 Amend the Senate amendment, H-3878, to House File
- 2 499, as amended, passed and reprinted by the House as
- 3 follows:
- 4 1. By striking page 20, line 14 through page 22,
- 5 line 21.

4/18 4/30 (p. 1829) BY HARPER of Black Hawk
 SHOULTZ of Black Hawk TEAFORD of Black Hawk
 PAVICH of Pottawattamie DAGGETT of Adams
 CARPENTER of Polk SIEGRIST of Pottawattamie
 H-4055 FILED APRIL 28, 1987 METCALF of Polk

HOUSE FILE 499

H-3912

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed, and reprinted by the House
3 as follows:

- 4 1. Page 15, by striking lines 17 through 41.
- 5 2. By striking page 15, line 42 through page 16,
6 line 8.
- 7 3. Page 41, by striking lines 6 through 23.

H-3912 FILED APRIL 23, 1987 BY DAGGETT of Adams

A. of B. Law (p. 1827)

C. Law (p. 1832)

HOUSE FILE 499

H-3913

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed, and reprinted by the House
3 as follows:

- 4 1. Page 1, by striking lines 3 through 6.
- 5 2. By striking page 5, line 46 through page 6,
6 line 4.
- 7 3. Page 7, by striking lines 28 through 40.
- 8 4. By striking page 7, line 43 through page 10,
9 line 18.
- 10 5. By striking page 10, line 26 through page 13,
11 line 2.
- 12 6. Page 13, by striking lines 3 through 30.
- 13 7. By striking page 13, line 31 through page 14,
14 line 41.
- 15 8. By striking page 14, line 42 through page 15,
16 line 16.

H-3913 FILED APRIL 23, 1987 BY DAGGETT of Adams

A. Adapted + 20th Law

B. of Law

C. Law

D. Law

E. Law

HOUSE FILE 499

H-3915

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed and reprinted by the House as
3 follows:

- 4 i. Page 3, by striking lines 15 and 16.

BY CORBETT of Linn

H-3915 FILED APRIL 23, 1987

HARBOR of Mills

Law 4/30 (p. 1823)

HOUSE FILE 499

H-3916

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed, and reprinted by the House,
3 as follows:

- 4 1. By striking page 6, line 20 through page 7,
5 line 10.
- 6 2. By striking page 19, line 21 through page 20,
7 line 13.

BY HARBOR of Mills

HALVORSON of Clayton

H-3916 FILED APRIL 23, 1987

Law 4/30 (p. 1825)

HOUSE FILE 499

H-4105

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 22, by striking lines 44 through page 23,
5 line 12.

H-4105 FILED APRIL 30, 1987 BY CARPENTER of Polk

LOST (p. 1829)

HOUSE FILE 499

H-4107

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 24, by striking lines 4 through 19 and
5 inserting the following:

6 By striking page 23, line 22, through page
7 24, line 34."

8 2. Page 41, by striking lines 28 through 31.

H-4107 FILED APRIL 30, 1987 BY SHERZAN of Polk

LOST (p. 1820)

HOUSE FILE 499

H-4108

1 Amend the amendment, H-4089, to the Senate
2 amendment, H-3878, to House File 499, as amended,
3 passed, and reprinted by the House, as follows:

4 1. Page 1, line 7, by striking the figure "II"
5 and inserting the following: "III".

6 2. Page 1, line 8, by striking the figure "III"
7 and inserting the following: "II".

8 3. Page 1, line 23, by inserting after the word
9 "will" the following: "remain to".

10 4. Page 1, line 28, by striking the word "is" and
11 inserting the following: "remains to be".

12 5. Page 1, line 47, by striking the words
13 "remainder of the".

14 6. Page 2, by striking lines 23 through 26 and
15 inserting the following: "department."

16 7. Page 2, by striking lines 35 through 48.

H-4108 FILED APRIL 30, 1987 BY COREY of LOUIS

DIVISION A - COST, DIVISION B - OUT OF ORDER (p. 1835)

HOUSE FILE 499

H-4097

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 2, by inserting after line 27 the
5 following:

6 "____. Page 6, by inserting before line 18 the
7 following: "However, in order to be eligible to
8 receive phase II moneys, the board of directors of a
9 school district and area education agency shall
10 require each full-time teacher to complete at least
11 one hundred ninety working days during that year.
12 Working days in excess of the number of working days
13 required for teachers during the school year
14 commencing July 1, 1986 to meet the one hundred ninety
15 day requirement shall not require the teacher to teach
16 students additional days. Moneys appropriated for
17 phase II may be used to reimburse teachers for
18 additional contract days required under this
19 section."

H-4097 FILED APRIL 30, 1987 BY MAULSBY of Calhoun
LOST (p. 1823)

HOUSE FILE 499

H-4101

1 Amend the amendment, H-4089, to the Senate
2 amendment, H-3878, to House File 499 as amended,
3 passed and reprinted by the House as follows:

4 1. Page 2, line 45, by inserting after the word
5 "shall" the following: ", if necessary,".

6 2. Page 2, line 47, by inserting after the word
7 "served" the words "which are included in approved
8 plans".

H-4101 FILED APRIL 30, 1987 BY OLLIE of Clinton
ADOPTED (p. 1823)

HOUSE FILE 499

H-4104

1 Amend the Senate amendment, H-3878, to House File
2 499, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 18, by inserting after line 3 the
5 following:

6 "____. Page 23, by inserting before line 1, the
7 following:

8 "Sec. ____ . NEW SECTION. 274.3 INTENT OF GENERAL
9 ASSEMBLY.

10 It is the intent of the general assembly that the
11 general assembly will only direct the imposition of
12 sanctions on a school district for noncompliance with
13 a directive of the general assembly if the sanctions
14 are specified prior to the deadline for compliance
15 with the directive."

H-4104 FILED APRIL 30, 1987 BY MAULSBY of Calhoun
LOST (p. 1829)

HOUSE FILE 499
SENATE AMENDMENT H-3878
FISCAL NOTE

PREPARED BY REPRESENTATIVE OLLIE

In compliance with a written request received April 27, 1987, a fiscal note for SENATE AMENDMENT S-3878 TO HOUSE FILE 499 AS PASSED BY THE HOUSE is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate Amendment S-3878 to House File 499 as passed by the House establishes an educational excellence program which makes provisions for salary improvements for K-12 nonadministrative certificated staff. The proposal also makes provisions relating to the state board of education's duties, the accreditation of schools, modified block scheduling and year around school pilot projects, sabbatical leaves for teachers, the issuance of temporary certificates, examinations, and publication requirements. It also makes provisions relating to postsecondary enrollment options, property tax levies, and financing under the school foundation formula.

Section 1 relates to the establishment of an educational excellence program in three phases, beginning in the 1987-88 school year. From the total appropriated to the program, phase I is to be fully funded. Of the remaining monies, 43 percent are to be used for phase II and 57 percent are to be used for phase III.

Phase I increases minimum teacher salaries to \$18,000 per year. Funding is used to bring salaries up to the minimum and to pay the employer's share of the cost of benefits. If the number of staff is reduced after the 1987-88 school year, the amount of the phase I appropriation is to be reduced on a pro rata basis by the proportion of the staff reduced.

Phase II provides additional funds to school districts and area education agencies (AEAs) to increase other teacher salaries. Of the monies allotted to phase II, 95.12 percent are to be allocated to the school districts and 4.88 percent are to be allocated to the AEAs. For the first three school years, the monies are distributed to school districts based on their 1986 certified enrollments, and to AEAs based on their 1986 enrollments served.

Phase III provides funds to school districts and AEAs for performance-based and/or supplemental pay plans. The monies are allocated to the school districts and AEAs in a manner similar to the allocation of phase II funds. Of the total amounts, one-half is to be distributed to the school districts and AEAs on a per pupil basis and one-half is to be distributed on a per teacher basis. For the purpose of phase III, principals are included as well as all nonadministrative certified staff. A school district or AEA must submit plans to the department of education and receive approval in order to implement a plan based on phase III funds.

Assumptions:

1. Teacher salaries will increase five percent per year from 1986-87.
2. The number of teachers and their relative placement on the salary schedule will not depart significantly from 1986-87.
3. The September 1986 certified headcount is 482,208.

-2-

4. The 1986 enrollment served by the AEAs is 530,375.

Fiscal Effect:

The estimated cost to the state of phase I for the 1987-88 and 1988-89 school year is \$9.5 million per year. With respect to the distribution of phase III funds, districts with enrollments of less than 1,000 and pupil/teacher ratios of less than 17 would benefit most from the proposed distribution when compared to the distribution of the entire amount on a per pupil basis. (The pupil/teacher ratios cited exclude special education personnel.)

Section 2 establishes a minimum salary for substitute teachers. The proposal would require substitute teachers to be paid a minimum of \$75 per day.

Fiscal Effect:

The total cost to school districts for the employment of substitute teachers for the 1985-86 school year was \$12.6 million. Assuming that the average salary is currently between \$50 and \$60 per day, the proposal would result in an estimated increase of between \$3.2 and \$6.3 million for the employment of substitute teachers. Since no provision is made for funding, the proposal would not impact either the general fund of the state or property taxes.

Section 3 adds to the state board of education's duties by requiring it to develop plans for the approval of teacher preparation programs, and plans for providing assistance to newly graduated teachers. The plans are to be submitted to the General Assembly on or before October 1, 1988.

Fiscal Effect:

The proposal would require the development of rules for the approval of teacher preparation programs, and would require the development of proposals for assistance to newly graduated teachers. These tasks would require approximately \$10,000 to \$15,000, based on the costs of similar plan development by the Department of Education. There would also be costs associated with both the approval process and with implementation of a new teacher internship program, although an estimate cannot be made at the present time.

Section 4 makes changes in the process with which school districts are accredited. Under current law, a school district is mandated to submit evidence that they have met accreditation standards to the state board of education. A five-member accreditation committee is appointed by the state board to review the school districts's accreditation report, visit the school district and make a recommendation to the commissioner of education. If a school district does not meet accreditation standards, a corrective plan is developed and reviewed by the committee. One-fifth of the school districts and nonpublic schools are to be reviewed for accreditation each year. All school districts must be accredited by 1989 or be reorganized by the state board of education.

The proposal would replace the current accreditation process with a two-phase process to begin with the 1988-89 school year. Phase I would require all school districts and nonpublic schools to submit accreditation compliance forms to the department of education. The department would further monitor schools by conducting visits at least once per annum. If a school is found to

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be in noncompliance, or if a petition is filed requesting phase II of the process, an accreditation committee would conduct an onsite visit and revisit, make a determination, and make recommendations.

Fiscal Effect:

Since the proposal would no longer require committee onsite visits to all schools, the costs associated with the proposed accreditation process would be greatly reduced from current law. The department's administrative costs were included in the FY 1988 budget request.

Section 5 establishes one year pilot projects where two or more school districts may share teachers through the use of modified block schedules. The proposal allows for the approval of four pilot projects per year, and provides for an appropriation sufficient to cover the costs of sabbatical leaves for displaced certificated personnel, for in-service training for all personnel involved in the projects, and for other approved costs associated with the projects.

Assumptions:

1. Four projects would be approved.
2. The projects would result in the temporary displacement of five teachers per project.
3. The average salary of the displaced teachers would be \$20,000.
4. Thirty teachers per project would be involved in in-service training.
5. In-service training would be for a period of ten days.

Fiscal Effect:

Across the four pilot projects, the costs associated with displaced teacher sabbaticals would be \$400,000. The cost of in-service training would be \$144,000. The total impact to the general fund of the State would be \$544,000.

Section 6 establishes pilot projects for a year around three-semester school year. Students would not be required to attend more than two of the three semesters. The costs of the pilot projects are to be reimbursed from the general fund of the state if an appropriation is made for that purpose.

Fiscal Effect:

The number of pilot projects authorized for approval, and the costs eligible for reimbursement have not been specified under the proposal. Therefore, an estimate of the proposed projects cannot be made.

Section 7 establishes a teacher sabbatical program beginning with the 1988-89 school year. Under the proposal, teachers with at least seven years experience may apply for up to a one-year sabbatical leave with the department of education. If approved, the teacher would receive regular compensation from the school district through a grant from the state.

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Fiscal Effect:

Since the number of sabbaticals authorized per year has not been established, an estimate cannot be determined.

Section 8 would allow the issuance of temporary certificates only if a school district or nonpublic school is unable to hire a certificated teacher or enter into a sharing agreement with another school to fill the vacancy.

Fiscal Effect:

This year 81 temporary certificates were issued to persons returning to the teaching field whose teaching certificate had expired. Another 71 temporary certificates were issued to persons who had completed their teacher education program five or more years ago, but did not have recent credit. It is not possible to determine whether the number of temporary certificates issued would be reduced under the proposal. The proposal, however, would have no fiscal impact to the general fund of the state nor to property taxes.

Section 9 would require the state board of education to conduct examinations of new applicants for teaching certificates beginning with the 1989-90 school year. School districts may charge a fee for the examinations.

Fiscal Effect:

The estimated cost of validating an exam for Iowa is approximately \$1.3 million. Of this approximately \$150,000 would be attributed to the validation of proficiency and basic skills exams. The remainder would be attributed to the validation of 33 subject area tests.

Section 10 would allow tenth, eleventh and twelfth grade students to enroll in courses at postsecondary institutions. They may receive both high school and college credit for the courses. The amount of tuition and cost reimbursement to the postsecondary institution is to be determined by the school district in conjunction with the institution. A student cannot be charged tuition and fees.

Assumptions:

1. During the first year, four percent of the total 36,222, or 1,449 twelfth graders will enroll in courses.
2. During the first year, two percent of the total 37,707, or 754 eleventh graders will enroll in courses.
3. The program would not include exploratory career or vocational coursework.
4. Each student would take an average of 1.5 courses, for a total of 3,305 courses.
5. Given the geographic accessibility to the three postsecondary sectors of education, students would enroll in 1,322 courses at independent colleges, 611 courses at regents' institutions, and 1,372 courses at merged area schools.
6. The average cost of tuition (this does not include textbooks, materials

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and fees) for a three semester hour course would be \$618.00 at an independent college, \$174.00 at a regents' institution, and \$112.50 at a merged area school.

Fiscal Effect:

Based on the tuition estimates alone, the total cost of tuition would be \$816,996, \$115,014 and \$148,725, respectively, for the courses taken at the independent, regents' and merged area schools. However, it is not possible to determine the number of courses taken which would be reimbursable, nor is it possible to determine the amount of the reimbursement.

Section 11 establishes the capital projects and equipment fund. Under current law, a school district may levy up 27.5 cents per \$1,000 of assessed valuation under the site levy, 67.5 cents per \$1,000 of assessed valuation under the schoolhouse levy, 13 cents per \$1,000 under the playground levy, and \$1.35 per \$1,000 of assessed valuation under the lease-purchase levy.

The proposed capital projects and equipment fund would replace the schoolhouse fund. It may be used for all purposes under the separate current law levies. Additionally, it may be used for transportation costs and textbooks under certain conditions, and educational technology equipment. The proposal consolidates the schoolhouse and playground levies; the maximum amount that may be raised is equal to a 81.5 cents per \$1,000 of assessed valuation minus the rate for the continuation of any existing levies. Of the total amount, not more than 40.5 cents per \$1,000 may be levied on property. The remaining amount is to be raised through an income surtax, not to exceed 10 percent. The levies may be instituted by board action only unless a petition of 20 percent of the voters is filed; bond issues require voter approval. The maximum levy on property under the site and lease-purchase levies remains unchanged. The proposal also deletes the library levy.

Fiscal Effect:

School districts levied a tax under the separate schoolhouse fund levies for the 1986-87 school year as follows:

	Fiscal Year 1987		
	# of Districts using	Total Levy	Current Maximum
LEVY			
Playground	16	\$ 972	\$ 9,700
School House	218	27,850	50,200
Site	318	15,662	20,100
Lease-purchase	1	8	100,000
TOTAL	NA	\$ 44,492	\$ 180,500

Since the proposal would expand the use of the levies and would expand the board's discretion to make a levy decision, it may be reasonable to expect that the total amount raised would increase.

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Although the maximum amount under the consolidation of the schoolhouse and playground levies remains unchanged, the proposal could result in a reduction of property taxes, to the extent that an income surtax is utilized. At the maximum allowed under the proposal, school districts could impose surtaxes ranging from 2 to 10 percent. Approximately six districts would not receive full funding due to the levy and surtax limits.

Section 12 establishes the liability fund. Under current law, a school district may levy taxes outside its general fund levy limits under the unemployment compensation levy to pay the costs of unemployment benefits, and under the liability levy for insurance. The proposal would combine the two levies into a single unlimited liability levy.

Fiscal Effect:

School districts currently levy for tort liability and unemployment compensation as follows:

	Fiscal Year 1987 (in thousands)	
	# of Districts using	Total Levy
<u>LEVY</u>		
Tort	343	\$ 5,664
Unemployment	137	1,179
TOTAL	<u>NA</u>	<u>\$ 6,843</u>

Since school districts already have the authority to levy taxes to cover all costs associated with tort liability and unemployment compensation, the total amount levied under the proposal should not depart significantly from current law.

Section 13 changes the methods of calculating a school district's budget enrollment. Under current law, the September 1978 certified enrollment count is used to calculate 25 percent of the budget enrollment, and the larger of the basic enrollment or previous year's basic enrollment is used to calculate 75 percent of the budget enrollment. Also under current law, a district is guaranteed 102 percent of its previous year's budget.

The proposal changes the percentage of the September certified enrollment used from 25 to 20 percent for the 1988-89 school year. It further reduces the percentage used to 15 percent for every year thereafter. The 75 percent portion is similarly increased by five percent per year until it reaches 85 percent. The proposal also reduces the budget guaranteed to 101.5 percent of the previous year's budget for the 1988-89 school year, and to 101 percent for every year thereafter.

Assumptions:

1. Total taxable valuations for 1985 were \$74.34 billion and will increase

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1.5 percent per year through 1987.

2. The September 1986 certified enrollment was 482,208 and will decline one percent each year thereafter.
3. The allowable growth rate for the 1987-88 school year is 3.469 percent and will be approximately 2.0 percent for the 1988-89 school year.
4. The December 1986 special education weighting was 37,867 and will remain constant through the 1988-89 school year.
5. The September 1986 supplemental weighting was 1,409 and will remain constant through the 1988-89 school year.

Fiscal Effect:

	Fiscal Year 1988 (in millions)			Fiscal Year 1989 (in millions)		
	Current Law	Proposed Law	Increase (Decrease)	Current Law	Proposed Law	Increase (Decrease)
<u>EXPENDITURES</u>						
State Aid	\$ 810.2	\$ 810.2	\$ 0	\$ 841.5	\$ 836.0	\$ (5.5)
TOTAL	\$ 810.2	\$ 810.2	\$ 0	\$ 841.5	\$ 836.0	\$ (5.5)

Section 14 changes publication requirements of school districts and the maximum fees that may be imposed for publication. Under current law, all districts under 125,000 in population, must publish board proceedings quarterly; the maximum publication fee is three-fifths of the legal publication fee.

The proposal would require all school districts to publish board proceedings after every board meeting. The schedule of bills allowed may be published monthly rather than with the board proceedings. The maximum fee for such publications for the 1987-88 school year remains unchanged. For the 1988-89 school year, the maximum fee is three-fourths of the legal publication fee and beginning with the 1989-90 school year, the maximum fee is the legal fee.

Fiscal Effect:

Since the proposal does not change the mechanism for financing publications, there would be no impact to the general fund of the State nor to property taxes. However, there would be increased costs to school districts since all districts would now be required to publish board proceedings after every meeting. For the 1987-88 school year, the publication fee would remain at 16 cents for each 2-inch line, or \$1.40 per inch. For the 1988-89 school year the fee would increase to 19.5 cents per line, or \$1.75 per inch. For the 1989-90 school year, the fee would be increased to 26 cents per line or \$2.34 per inch. Expanding the publication requirements, coupled with increasing fees for publication would result in many school districts' expenditures for publications tripling at a minimum.

Section 15 would increase the additional enrichment amount that a school

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district may raise beginning with the 1988-89 school year. Under current law, a school district may raise up to 10 percent of its state cost per pupil times its budget enrollment in additional enrichment. The amount is raised by levying a maximum tax of \$1.08 per \$1,000 of assessed valuation, and a maximum income surtax of 20 percent.

The proposal increases the maximum enrichment amount to 15 percent of its state cost per pupil times its budget enrollment. It increases the property tax rate limit to \$1.62 per \$1,000 of assessed valuation, and increases the maximum income surtax rate to 30 percent.

Fiscal Effect:

In FY 1987, 62 school districts raised an additional enrichment amount totaling \$3.95 million. Of the 62 districts, 45 are imposing taxes under the maximum rates. If all 62 districts imposed the maximum taxes, the enrichment amount would total \$5.2 million under current law, and \$7.75 million under the proposal.

The total enrichment if all 436 districts imposed the maximum amount would be \$129.2 million at the maximum 10 percent and \$193.8 million at a maximum 15 percent of the state cost. Under the proposed 15 percent, 13 districts would have to limit their enrichment amount due to the maximum 30 percent surtax rate or due to the maximum \$1.62 levy rate, or both.

Section 16 expands the provisions for adding pupils to the weighted enrollment for sharing administrators under the supplementary weighting plan. Under current law, a school district may add pupils to their enrollment at the rate of .05 per pupil for each shared administrator employed by the school district times the fraction of the administrator's time spent in that district, for a maximum additional weighting of 15. Current law does not provide for supplemental weighting for shared principals.

The proposal would allow pupils to be added for the sharing of principals so long as the principal does not also perform the duties of a superintendent. It also allows school districts to add pupils for administrators who serve the district under contract but are employed by an area education agency.

Assumptions:

1. Foundation support for the 1987-88 school year will be \$2,205 per pupil.
2. At an allowable growth rate of approximately 2.0 percent, foundation support for the 1988-89 school year will be \$2,262 per pupil.

Fiscal Effect:

Currently, there are no AEA administrative personnel under contract to perform administrative duties for school districts. Although the proposal does provide an incentive to do so, it is not possible to estimate the extent that school districts may elect to begin the practice.

With respect to the proposed sharing of principals, there are currently 24 districts which share an administrator, and six districts which share a personnel director. The September 1986 supplemental weighting for administrative sharing was 29% of the total 1,409, for a total of \$641,820 in

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state aid for the 1987-88 school year for administrative sharing.

The proposed inclusion of principals could significantly increase the number of pupils added for administrative sharing. Currently, of the 412 superintendents serving the 436 school districts, only 273 serve exclusively as the superintendent of one district. The superintendents employed on less than a full-time basis most often serve additionally as a building principal within the district. Administrators of school districts serving as both superintendent and principal are as follows:

Superintendent/elementary principal	106
Superintendent/junior high principal	4
Superintendent/senior high principal	8
Superintendent/principal of all grades	21

To the extent that the above occurrences are in contiguous school districts, the likelihood is high that the districts will restructure their administrative personnel so that they share one superintendent and one principal rather than each school district employing one individual who serves as both superintendent and principal. The proposal therefore provides an incentive to share superintendents as well as principals. Given this, it is not unreasonable to expect that the proposal could result in an increase in state aid of \$2 million, at minimum, and a concomitant increase in property taxes of approximately \$450,000.

Section 17 would allow school districts to levy a property tax for early retirement incentives if the total cost of the incentives does not exceed the total savings due to the program.

Fiscal Effect:

Although it is not possible to estimate the impact on property taxes, it is reasonable to expect that school districts would elect to levy a tax under the proposal based on current levying practices. Under Iowa Acts, 1986 Session, Chapter 1192, section 7 a school district is authorized to levy for retirement incentives in the 1987-88 school year only for monies to be expended within a five year period. In total, school districts will levy \$2.2 million under the provision; most have levied for only a one-year program.

Sources: Department of Education
Department of Management

(LSB 2514R.12, TLJ)

FILED APRIL 30, 1987

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 499

H-4115

1 Amend the Senate amendment, H-3878, to House File
2 499 as amended, passed and reprinted by the House as
3 follows:

4 1. Page 16, by inserting before line 45 the
5 following:

6 "_____. Page 19, by inserting after line 34 the
7 following:

8 "The state board of education shall adopt rules
9 under chapter 17A which specify the conditions for
10 which high school credit may be granted for courses at
11 eligible postsecondary institutions."

H-4115 FILED APRIL 30, 1987 BY CARPENTER of Polk
LOST (p. 1828)

HOUSE FILE 499

H-4116

1 Amend the amendment, H-4089, to the Senate
2 amendment, H-3878, to House File 499, as amended,
3 passed, and reprinted by the House, as follows:

4 1. Page 1, by striking lines 5 through 8 and
5 inserting the following:

6 "_____. Page 1, by striking lines 17 through 23 and
A 7 inserting the following: "moneys shall be distributed
8 in the manner provided in this chapter."

9 2. Page 1, line 47, by striking the words
10 "remainder of the".

11 3. Page 2, by striking lines 23 through 26 and
12 inserting the following: "department."

13 4. Page 2, by striking lines 35 through 48.

H-4116 FILED APRIL 30, 1987 BY CARPENTER of Polk
DIVISION A - LOST, DIVISION B - OUT OF ORDER (p. 1832)
(p. 1833)

HOUSE FILE 499

H-4119

1 Amend the amendment, H-4089, to the Senate
2 amendment, H-3878, to House File 499 as amended,
3 passed and reprinted by the House as follows:

4 1. Page 3, by striking line 27 and inserting the
5 following:

6 "_____. Page 16, by striking lines 9 through 17.

7 "_____. Page 16, by striking lines 23 through 44."

H-4119 FILED APRIL 30, 1987 BY HAVERLAND of Polk
ADOPTED (p. 1821)

HOUSE FILE 499

AN ACT

RELATING TO EDUCATION INCLUDING SALARY INCREASES, EFFICIENCIES, AND EDUCATION ENHANCEMENT, RELATING TO THE ESTABLISHMENT OF AN EDUCATIONAL EXCELLENCE PROGRAM CONSISTING OF THREE PHASES RELATING TO THE RECRUITMENT OF QUALITY TEACHERS, THE RETENTION OF QUALITY TEACHERS, AND THE ENHANCEMENT OF THE QUALITY AND EFFECTIVENESS OF TEACHERS; ACTIVITIES OF THE STATE BOARD OF EDUCATION RELATING TO THE ACCREDITATION PROCESS; COLLECTIVE BARGAINING; CERTIFICATION OF SCHOOL DISTRICT EMPLOYEES; PROVISION OF CERTAIN SERVICES TO SCHOOL DISTRICTS AND OTHER AREA EDUCATION AGENCIES BY AREA EDUCATION AGENCIES; PROVISION OF PILOT PROJECTS FOR MODIFIED BLOCK SCHEDULING BY SCHOOL DISTRICTS AND FOR YEAR AROUND SCHOOLS; ELIMINATION OF PROHIBITION OF EMPLOYMENT OF SPOUSES OF SCHOOL BOARD DIRECTORS; WEIGHTING OF SCHOOL ADMINISTRATORS; ESTABLISHING SABBATICAL PROGRAMS FOR TEACHERS; INCREASING THE ENRICHMENT AMOUNT; PROVIDING FOR APPEALS OF CERTAIN DECISIONS OF SCHOOL DISTRICTS; RETIREMENT INCENTIVES; STUDYING THE ROLE OF TEACHERS; DURATION OF A SUPERINTENDENT'S CONTRACT; OPEN ENROLLMENT OF PUPILS IN CONTIGUOUS SCHOOL DISTRICTS; POSTSECONDARY ENROLLMENT OPTIONS FOR CERTAIN HIGH SCHOOL STUDENTS; REDRAWING BOUNDARY LINES OF AREA EDUCATION AGENCIES; PLANS FOR A GOVERNANCE STRUCTURE FOR MERGED AREA SCHOOLS; DATE OF THE ORGANIZATIONAL MEETING OF SCHOOL CORPORATIONS; SHARING INTERSCHOLASTIC ACTIVITY PROGRAMS; ADOPTION OF STUDENT ACHIEVEMENT GOALS; PROVISION FOR INTERCOLLEGIATE ATHLETIC ACTIVITIES AT MERGED AREA SCHOOLS; PROCEDURE FOR OPTING OUT OF WHOLE GRADE SHARING; CALCULATION OF ENROLLMENT OF SCHOOL DISTRICTS; WEIGHTING FOR NON-ENGLISH-SPEAKING STUDENTS; AND PROVIDE EFFECTIVE DATES.

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

DIVISION I

EDUCATIONAL EXCELLENCE PROGRAM

Section 1. NEW SECTION. 294A.1 EDUCATIONAL EXCELLENCE PROGRAM.

The purpose of this chapter is to promote excellence in education. In order to maintain and advance the educational excellence in the state of Iowa, this chapter establishes the Iowa educational excellence program. The program shall consist of three major phases addressing the following:

1. Phase I -- The recruitment of quality teachers.
2. Phase II -- The retention of quality teachers.
3. Phase III -- The enhancement of the quality and effectiveness of teachers through the utilization of performance pay.

Sec. 2. NEW SECTION. 294A.2 DEFINITIONS.

For the purposes of this chapter:

1. "Teacher" means an individual holding a teaching certificate issued under chapter 260, letter of authorization, or a statement of professional recognition issued by the board of educational examiners who is employed in a nonadministrative position by a school district or area education agency pursuant to a contract issued by a board of directors under section 279.13. A teacher may be employed in both an administrative and a nonadministrative position by a board of directors and shall be considered a part-time teacher for the portion of time that the teacher is employed in a nonadministrative position.

2. "Teacher's regular compensation" means the annual salary specified in a teacher's contract pursuant to the salary schedule adopted by the board of directors or negotiated under chapter 20. It does not include pay earned by a teacher for performance of additional noninstructional duties and does not include the costs of the employer's share of fringe benefits.

3. "Certified enrollment in a school district" for the school years beginning July 1, 1987, July 1, 1988, and July 1, 1989, means that district's basic enrollment for the budget year beginning July 1, 1987 as defined in section 442.4. For each school year thereafter, certified enrollment in a school district means that district's basic enrollment for the budget year.

4. "Enrollment served" for the fiscal years beginning July 1, 1987, July 1, 1988, and July 1, 1989, means that area education agency's enrollment served for the budget year beginning July 1, 1987. For each school year thereafter, enrollment served means that area education agency's enrollment served for the budget year. Enrollment served shall be determined under section 442.27, subsection 12.

5. "Specialized training requirements" means requirements prescribed by a board of directors to meet specific needs of the school district identified by the board of directors that provide for the acquisition of clearly defined skills through formal or informal education that are beyond the requirements necessary for initial certification under chapter 260.

6. "General training requirements" means requirements prescribed by a board of directors that provide for the acquisition of additional semester hours of graduate credit from an institution of higher education approved by the board of educational examiners or the completion of staff development activities approved by the department of education for renewal of certificates issued under chapter 260.

Sec. 3. NEW SECTION. 294A.3 EDUCATIONAL EXCELLENCE FUND.

An educational excellence fund is established in the office of treasurer of state to be administered by the department of education. Moneys appropriated by the general assembly for deposit in the fund shall be paid to school districts and area education agencies pursuant to the requirements of this chapter and shall be expended only to pay for increases in the

regular compensation of teachers and other salary increases for teachers, to pay the costs of the employer's share of federal social security and Iowa public employees' retirement system, or a pension and annuity retirement system established under chapter 294, payments on the salary increases, and to pay costs associated with providing specialized or general training. Moneys received by school districts and area education agencies shall not be used for pay earned by a teacher for performance of additional noninstructional duties.

If moneys are appropriated by the general assembly to the fund for distribution under this chapter the moneys shall be allocated by the department so that the allocations of moneys for phases I and II are made prior to the allocation of moneys for phase III.

DIVISION II

PHASE I

Sec. 4. NEW SECTION. 294A.4 GOAL.

The goal of phase I is to provide for establishment of pay plans incorporating sufficient annual compensation to attract quality teachers to Iowa's public school system. This is accomplished by increasing the minimum salary. A beginning salary which is competitive with salaries paid to other professionals will provide incentive for top quality individuals to enter the teaching profession.

Sec. 5. NEW SECTION. 294A.5 MINIMUM SALARY SUPPLEMENT.

For the school year beginning July 1, 1987 and succeeding school years, the minimum annual salary paid to a full-time teacher as regular compensation shall be eighteen thousand dollars.

For the school year beginning July 1, 1987 for phase I, each school district and area education agency shall certify to the department of education by the third Friday in September the names of all teachers employed by the district or area education agency whose regular compensation is less

than eighteen thousand dollars per year for that year and the amounts needed as minimum salary supplements. The minimum salary supplement for each eligible teacher is the total of the difference between eighteen thousand dollars and the teacher's regular compensation plus the amount required to pay the employer's share of the federal social security and Iowa public employees' retirement system, or a pension and annuity retirement system established under chapter 294, payments on the additional salary moneys.

The board of directors shall report the salaries of teachers employed on less than a full-time equivalent basis, and the amount of minimum salary supplement shall be prorated.

Sec. 6. NEW SECTION. 294A.6 PAYMENTS.

For the school year beginning July 1, 1987, the department of education shall notify the department of revenue and finance of the total minimum salary supplement to be paid to each school district and area education agency under phase I and the department of revenue and finance shall make the payments. For school years after the school year beginning July 1, 1987, if a school district or area education agency reduces the number of its full-time equivalent teachers below the number employed during the school year beginning July 1, 1987, the department of revenue and finance shall reduce the total minimum salary supplement payable to that school district or area education agency so that the amount paid is equal to the ratio of the number of full-time equivalent teachers employed in the school district or area education agency for that school year divided by the number of full-time equivalent teachers employed in the school district or area education agency for the school year beginning July 1, 1987 and multiplying that fraction by the total minimum salary supplement paid to that school district or area education agency for the school year beginning July 1, 1987.

DIVISION II:

PHASE II

Sec. 7. NEW SECTION. 294A.8 GOAL.

The goal of phase II is to keep Iowa's best educators in the profession and assist in their development by providing general salary increases.

Sec. 8. NEW SECTION. 294A.9 PHASE II PROGRAM.

Phase II is established to improve the salaries of teachers. For each fiscal year, the department of education shall allocate to each school district for the purpose of implementing phase II an amount equal to seventy-five dollars and ninety-three cents multiplied by the district's certified enrollment and to each area education agency for the purpose of implementing phase II an amount equal to three dollars and fifty-five cents multiplied by the enrollment served in the area education agency, if the general assembly has appropriated sufficient moneys to the fund so that pursuant to section 294A.3, thirty-eight million five hundred thousand dollars will be allocated by the department to school districts and area education agencies for phase II. If, because of the amount of the appropriation made by the general assembly to the fund, less than thirty-eight million five hundred thousand dollars is allocated for phase II, the department of education shall adjust the amount for each student in certified enrollment and each student in enrollment served based upon the amount allocated for phase II.

The department of education shall certify the amounts of the allocations for each school district and area education agency to the department of revenue and finance and the department of revenue and finance shall make the payments to school districts and area education agencies.

If a school district has discontinued grades under section 282.7, subsection 1, or students attend school in another school district, under an agreement with the board of the other school district, the board of directors of the district of residence shall transmit the phase II moneys allocated to

the district for those students based upon the full-time equivalent attendance of those students to the board of the school district of attendance of the students.

If a school district uses teachers under a contract between the district and the area education agency in which the district is located, the school district shall transmit to the employing area education agency a portion of its phase II allocation based upon the portion that the salaries of teachers employed by the area education agency and assigned to the school district for a school year bears to the total teacher salaries paid in the district for that school year, including the salaries of the teachers employed by the area education agency.

If the school district or area education agency is organized under chapter 20 for collective bargaining purposes, the board of directors and certified bargaining representative for the certificated employees shall mutually agree upon a formula for distributing the phase II allocation among the teachers. For the school year beginning July 1, 1987 only, the parties shall follow the procedures specified in chapter 20 except that if the parties reach an impasse, neither impasse procedures agreed to by the parties nor sections 20.20 through 20.22 shall apply and the phase II allocation shall be divided as provided in section 294A.10. Negotiations under this section are subject to the scope of negotiations specified in section 20.9. If a board of directors and certified bargaining representative for certificated employees have not reached mutual agreement by July 15, 1987 for the distribution of the phase II payment, section 294A.10 will apply.

If the school district or area education agency is not organized for collective bargaining purposes, the board of directors shall determine the method of distribution.

Sec. 9. NEW SECTION. 294A.10 FAILURE TO AGREE ON DISTRIBUTION.

For the school year beginning July 1, 1987 only, if the board of directors and certified bargaining representative for the certificated employees have not reached agreement under section 294A.9, the board of directors shall divide the payment among the teachers employed by the district or area education agency as follows:

1. All full-time teachers whose regular compensation is equal to or more than the minimum salary for phase I will receive an equal amount from the phase II allocation.
2. A teacher who will receive a minimum salary supplement under section 294A.5 will receive moneys equal to the difference between the amount from the phase II allocation and the minimum salary supplement paid to that teacher.
3. The amount from the phase II allocation will be prorated for a teacher employed on less than a full-time basis.
4. An amount from the phase II allocation includes the amount required to pay the employers' share of the federal social security and Iowa public employees' retirement system, or a pension and annuity retirement system established under chapter 294, payments on the additional salary.

Sec. 10. NEW SECTION. 294A.11 REPORTS.

By August 15, 1987, each school district and area education agency shall file a report with the department of education, on forms provided by the department of education, specifying the method used to distribute the phase II allocation.

Reports filed by area education agencies shall include a description of the method used to distribute phase II allocations to teachers employed by the area education agency working under contract in a school district.

DIVISION IV

PHASE III

Sec. 11. NEW SECTION. 294A.12 GOAL.

The goal of phase III is to enhance the quality, effectiveness, and performance of Iowa's teachers by promoting teacher excellence. This will be accomplished through the development of performance-based pay plans and supplemental pay plans requiring additional instructional work assignments which may include specialized training or differential training, or both.

It is the intent of the general assembly that school districts and area education agencies incorporate into their planning for performance-based pay plans and supplemental pay plans, implementation of recommendations from recently issued national and state reports relating to the requirements of the educational system for meeting future educational needs, especially as they relate to the preparation, working conditions, and responsibilities of teachers, including but not limited to assistance to new teachers, development of teachers as instructional leaders in their schools and school districts, using teachers for evaluation and diagnosis of other teachers' techniques, and the implementation of sabbatical leaves.

Sec. 12. NEW SECTION. 294A.13 PHASE III PROGRAM.

For the school year beginning July 1, 1987 and succeeding school years, each school district and area education agency that meet the requirements of this section are eligible to receive moneys for the implementation under phase III of a performance-based pay plan or supplemental pay plan, or a combination of the two.

Sec. 13. NEW SECTION. 294A.14 PHASE III PAYMENTS.

For each fiscal year, the department shall allocate the remainder of the moneys appropriated by the general assembly to the fund for phase III, subject to section 294A.16B. If fifty million dollars is allocated for phase III, the payments for an approved plan for a school district shall be equal to the product of a district's certified enrollment and ninety-

eight dollars and sixty-three cents, and for an area education agency shall be equal to the product of an area education agency's enrollment served and four dollars and sixty cents. If the moneys allocated for phase III are either greater than or less than fifty million dollars, the department of education shall adjust the amount for each student in certified enrollment and each student in enrollment served based upon the amount allocated for phase III.

If a school district has discontinued grades under section 282.7, subsection 1, or students attend school in another school district, under an agreement with the board of the other school district, the board of directors of the district of residence shall transmit the phase III moneys allocated to the district for those students based upon the full-time equivalent attendance of those students to the board of the school district of attendance of the students.

A plan shall be developed using the procedure specified under section 294A.15. The plan shall provide for the establishment of a performance-based pay plan, a supplemental pay plan, or a combination of the two pay plans and shall include a budget for the cost of implementing the plan. In addition to the costs of providing additional salary for teachers and the amount required to pay the employers' share of the federal social security and Iowa public employees' retirement system, or a pension and annuity retirement system established under chapter 294, payments on the additional salary, the budget may include costs associated with providing specialized or general training. Moneys received under phase III shall not be used to employ additional employees of a school district, except that phase III moneys may be used to employ substitute teachers, part-time teachers, and other employees needed to implement plans that provide innovative staffing patterns or that require that a teacher employed on a full-time basis be absent from the classroom for specified

periods for fulfilling other instructional duties. However, all teachers employed are eligible to receive additional salary under an approved plan.

For the purpose of this section, a performance-based pay plan shall provide for salary increases for teachers who demonstrate superior performance in completing assigned duties. The plan shall include the method used to determine superior performance of a teacher. For school districts, the plan may include assessments of specific teaching behavior, assessments of student performance, assessments of other characteristics associated with effective teaching, or a combination of these criteria.

For school districts, a performance-based pay plan may provide for additional salary for individual teachers or for additional salary for all teachers assigned to an attendance center. For area education agencies, a performance-based pay plan may provide for additional salary for individual teachers or for additional salary for all teachers assigned to a specific discipline within an area education agency. If the plan provides additional salary for all teachers assigned to an attendance center, or specific discipline, the receipt of additional salary by those teachers shall be determined on the basis of whether that attendance center or specific discipline, meets specific objectives adopted for that attendance center, or specific discipline. For school districts, the objectives may include, but are not limited to, decreasing the dropout rate, increasing the attendance rate, or accelerating the achievement growth of students enrolled in that attendance center.

If a performance-based pay plan provides additional salary for individual teachers:

1. The plan may provide for salary moneys in addition to the existing salary schedule of the school district or area education agency and may require the participation by the teacher in specialized training requirements.

2. The plan may provide for salary moneys by replacing the existing salary schedule or as an option to the existing salary schedule and may include specialized training requirements, general training requirements, and experience requirements.

A supplemental pay plan may provide for supplementing the costs of vocational agriculture programs as provided in section 294A.16A.

For the purpose of this section, a supplemental pay plan in a school district shall provide for the payment of additional salary to teachers who participate in either additional instructional work assignments or specialized training during the regular school day or during an extended school day, school week, or school year. A supplemental pay plan in an area education agency shall provide for the payment of additional salary to teachers who participate in either additional work assignments or improvement of instruction activities with school districts during the regular school day or during an extended school day, school week, or school year.

For school districts, additional instructional work assignments may include but are not limited to general curriculum planning and development, vertical articulation of curriculum, horizontal curriculum coordination, development of educational measurement practices for the school district, development of plans for assisting beginning teachers during their first year of teaching, attendance at summer staff development programs, development of staff development programs for other teachers to be presented during the school year, and other plans locally determined in the manner specified in section 294A.15 and approved by the department of education under section 294A.16 that are of equal importance or more appropriately meet the educational needs of the school district.

For area education agencies, additional instructional work assignments may include but are not limited to providing assistance and support to school districts in general curriculum planning and development, providing assistance to school districts in vertical articulation of curriculum and horizontal curriculum coordination, development of educational measurement practices for school districts in the area education agency, development of plans for assisting beginning teachers during their first year of teaching, attendance or instruction at summer staff development programs, development of staff development programs for school district teachers to be presented during the school year, and other plans determined in the manner specified in section 294A.15 and approved by the department of education under section 294A.16 that are of equal importance or more appropriately meet the educational needs of the area education agency.

Sec. 14. NEW SECTION. 294A.15 DEVELOPMENT OF PLAN.

The board of directors of a school district desiring to receive moneys under phase III shall appoint a committee consisting of representatives of school administrators, teachers, parents, and other individuals interested in the public schools of the school district to develop a proposal for distribution of phase III moneys to be submitted to the board of directors. The board of directors of an area education agency desiring to receive moneys under phase III shall appoint a committee of similar membership to develop a proposal. If the school district or area education agency is organized under chapter 20 for collective bargaining purposes, the board shall provide that one of the teacher members of the committee is an individual selected by the certified bargaining representative for certificated employees of the district or area education agency. The proposal developed by the committee shall be submitted to the board of directors of the school district or area education agency for consideration

by the board in developing a plan. For the school year beginning July 1, 1987, if the school district or area education agency is organized for collective bargaining purposes under chapter 20, the portions of the proposed plan that are within the scope of negotiations specified in section 20.9 require the mutual agreement by January 1, 1988 of both the board of directors of the school district or area education agency and the certified bargaining representative for the certificated employees. In succeeding years, if the school district or area education agency is organized for collective bargaining purposes, the portions of the proposed plan that are within the scope of the negotiations specified in section 20.9 are subject to chapter 20.

Nothing in this chapter shall be construed to expand or restrict the scope of negotiations in section 20.9.

Sec. 15. NEW SECTION. 294A.16 SUBMISSION OF PLAN.

A plan adopted by the board of directors of a school district or area education agency shall be submitted to the department of education not later than July 1 of a school year for that school year. Amendments to multiple year plans may be submitted annually.

If a school district uses teachers under a contract between the district and the area education agency in which the district is located, the school district shall make provision for those teachers under phase III.

The department of education shall review each plan and its budget and notify the department of management of the names of school districts and area education agencies with approved plans.

However, for the school year beginning July 1, 1987, a board of directors may submit a proposed plan and budget not later than January 1, 1988, and the department of education shall notify the school districts and area education agencies not later than February 15, 1988 that their plans have been

approved by the department. Final approval of budgets for approved phase III plans shall be determined by the department of education after the certification required in section 294A.163 but not later than February 15, 1988. The department of education shall notify the department of revenue and finance of the amounts of payments to be made to each school district and area education agency that has an approved plan. Moneys allocated to a school district or area education agency for the school year beginning July 1, 1987 for an approved phase III plan that are not expended for that school year shall not revert to the general fund of the state but may be expended by that school district or area education agency during the school year beginning July 1, 1988. For school years thereafter, moneys allocated to a school district or area education agency for an approved phase III plan for a school year but not expended during that school year shall revert to the general fund of the state as provided in section 8.33.

Sec. 16. NEW SECTION. 294A.16A VOCATIONAL AGRICULTURE.

A supplemental pay plan that provides for supplementing the costs of vocational agriculture programs may provide for increasing teacher salary costs for twelve month contracts for vocational agriculture teachers.

Sec. 17. NEW SECTION. 294A.16B DETERMINATION OF PHASE III ALLOCATION.

On February 1, 1988, the governor shall certify to the department of education the amount of money available for allocation under phase III. If pursuant to any provision of law, the governor certifies an amount lower than the allocation that would otherwise be made under this chapter, the department of education shall, if necessary, adjust the amount for each student in certified enrollment and each student in enrollment served which are included in approved plans pursuant to section 294A.14 and shall review the budgets of the approved plans.

Sec. 18. NEW SECTION. 294A.17 REPORT.

Each school district and area education agency receiving moneys for phase III during a school year shall file a report with the department of education by July 1 of the next following school year. The report shall describe the plan, its implementation, and the expenditures made under the plan including the salary increases paid to each eligible employee. The report may include any proposed amendments to the plan for the next following school year.

Sec. 19. NEW SECTION. 294A.18 REVERSION OF MONEYS.

Any portion of moneys appropriated to the educational excellence trust fund and allocated to phase III under section 294A.3 for a fiscal year not expended by school districts and area education agencies during that fiscal year revert to the general fund of the state as provided in section 8.33.

DIVISION V

GENERAL PROVISIONS

Sec. 20. NEW SECTION. 294A.19 RULES.

The state board of education shall adopt rules under chapter 17A for the administration of this chapter.

Sec. 21. NEW SECTION. 294A.20 PAYMENTS.

Payments for each phase of the educational excellence program shall be made by the department of revenue and finance on a quarterly basis, and the payments shall be separate from state aid payments made pursuant to sections 442.25 and 442.26. For the school year beginning July 1, 1987, the first quarterly payment shall be made not later than October 15, 1987 taking into consideration the relative budget and cash position of the state resources. The payments to a school district or area education agency may be combined and a separate accounting of the amount paid for each program shall be included.

Any payments made to school districts or area education agencies under this chapter are miscellaneous income for purposes of chapter 442.

Sec. 22. NEW SECTION. 294A.21 MULTIPLE SALARY PAYMENTS.

The salary increases that may be granted to a teacher under phase III are in addition to any salary increases granted to a teacher under phase I or phase II.

Sec. 23. NEW SECTION. 294A.21B COLLECTIVE BARGAINING.

For the school year beginning July 1, 1987 only, section 20.17, subsection 3, relating to the exemption from chapter 21 and presentation of initial bargaining positions of the public employer and certified bargaining representative for the public employer and certified bargaining representative for certificated employees, does not apply to collective bargaining for moneys received under phases II and III, and an agreement between the board of directors and the certified bargaining representative for certificated employees need not be ratified by the employees or board.

DIVISION VI

EFFICIENCY INCENTIVES

Sec. 24. Section 256.7, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 8. Develop plans for the approval of teacher preparation programs that incorporate the results of recently completed research and national studies on teaching for the twenty-first century and develop plans for providing assistance to newly graduated teachers, including options for internships and reduced teaching loads. The plans shall be submitted to the general assembly not later than October 1, 1988.

Sec. 25. Section 256.7, subsection 7, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Develop plans for the restructuring of school districts, area education agencies, and merged area schools, with specific emphasis on combining the area education agencies and merged area schools. The plans shall be reported to the general assembly not later than October 1, 1987.

In addition, the state board shall develop plans for redrawing the boundary lines of area education agencies so that the total number of area education agencies is no fewer than four and no greater than twelve. The state board shall also study the governance structure of the merged area schools, including but not limited to governance at the state level with a director of area school education serving under a state board. The plans relating to the area education agencies and merged area schools shall be submitted to the general assembly not later than January 8, 1990.

PARAGRAPH DIVIDED. The focus of the plans shall be to assure more productive and efficient use of limited resources, equity of geographical access to facilities, equity of educational opportunity within the state, and improved student achievement.

Sec. 26. Section 256.11, subsections 10, 11, and 12, Code 1987, are amended by striking the subsections and inserting in lieu thereof the following:

10. The state board shall establish an accreditation process for school districts and nonpublic schools seeking accreditation pursuant to this subsection and subsections 11 and 12. As required in section 256.17, by July 1, 1989, all school districts shall meet standards for accreditation. For the school year commencing July 1, 1989 and school years thereafter, the department of education shall use a two-phase process for the continued accreditation of schools and school districts.

Phase I consists of annual monitoring by the department of education of all accredited schools and school districts for compliance with accreditation standards adopted by the state board of education as provided by section 256.17. The phase I monitoring requires that accredited school districts and schools annually complete accreditation compliance forms adopted by the state board and file them with the department

of education. In addition, employees of the department of education shall complete at least one onsite visit each year to each accredited school and school district to review the educational programs and the information included in the compliance forms.

Phase II requires the use of an accreditation committee, appointed by the director of the department of education, to conduct an onsite visit to an accredited school or school district if any of the following conditions exist:

- a. When the annual monitoring of phase I indicates that a school or school district may be deficient or fails to be in compliance with accreditation standards.
- b. In response to a petition filed with the director requesting such a committee visitation that is signed by at least twenty percent of the number of registered voters voting in the preceding school election.
- c. In response to a petition filed with the director requesting such a committee visitation that is signed by twenty percent or more of the parents or guardians who have children enrolled in the school or school district.
- d. At the direction of the state board of education.

The number and composition of the membership of an accreditation committee shall be determined by the director and may vary due to the specific nature or reason for the visit. In all situations, however, the chairperson and a majority of the committee membership shall be from the instructional and administrative program specialty staff of the department of education. Other members may include instructional and administrative staff from school districts, area education agencies, institutions of higher education, local board members and the general public. An accreditation committee visit to a nonpublic school requires membership on the committee from nonpublic school instructional or administrative staff or board members. A member of a

committee shall not have a direct interest in the nonpublic school or school district being visited.

Rules adopted by the state board may include provisions for coordination of the accreditation process under this section with activities of accreditation associations.

Prior to a visit to a school district or nonpublic school, members of the accreditation committee shall have access to all annual accreditation report information filed with the department by that nonpublic school or school district.

After visiting the school district or nonpublic school, the accreditation committee shall determine whether the accreditation standards have been met and shall make a report to the director, together with a recommendation whether the school district or nonpublic school shall remain accredited. The accreditation committee shall report strengths and weaknesses, if any, for each standard and shall advise the school or school district of available resources and technical assistance to further enhance strengths and improve areas of weakness. A school district or nonpublic school may respond to the accreditation committee's report.

11. The director shall review the accreditation committee's report, and the response of the school district or nonpublic school, and provide a report and recommendation to the state board along with copies of the accreditation committee's report, the response to the report, and other pertinent information. The state board shall determine whether the school district or nonpublic school shall remain accredited. If the state board determines that a school district or nonpublic school should not remain accredited, the director, in cooperation with the board of directors of the school district, or authorities in charge of the nonpublic school, shall establish a plan prescribing the procedures that must be taken to correct deficiencies in meeting the standards, and shall establish a deadline date for completion

of the procedures. The plan is subject to approval of the state board.

12. During the period of time specified in the plan for its implementation by a school district or nonpublic school, the school or school district remains accredited. The accreditation committee shall revisit the school district or nonpublic school and shall determine whether the deficiencies in the standards have been corrected and shall make a report and recommendation to the director and the state board. The state board shall review the report and recommendation, may request additional information, and shall determine whether the deficiencies have been corrected. If the deficiencies have not been corrected, the state board shall merge the territory of the school district with one or more contiguous school districts. Division of assets and liabilities of the school district shall be as provided in sections 275.29 through 275.31. Until the merger is completed, the school district shall pay tuition for its resident students to an accredited school district under section 282.24.

Sec. 27. Section 256.13, Code 1987, is amended to read as follows:

256.13 NONRESIDENT PUPILS.

The boards of directors of two or more school districts may by agreement provide for attendance of pupils residing in one district in the schools of another district for the purpose of taking courses not offered in the district of their residence. The boards may also provide by agreement that the districts will combine their enrollments for one or more grades. Courses and grades made available to students in this manner shall be considered as complying with any standards or laws requiring the offering of such courses and grades. The boards of directors of districts entering into such agreements may provide for sharing the costs and expenses of the courses. If the agreement provides for whole grade sharing, the costs and

expenses shall be paid as provided in sections 282.10 through 282.12.

Sec. 28. Section 256.17, unnumbered paragraph 5, Code 1987, is amended by striking the unnumbered paragraph.

Sec. 29. NEW SECTION. 256.18 MODIFIED BLOCK SCHEDULING.

1. The state board of education shall approve pilot projects, not exceeding four per year, for the purpose of sharing certificated instructional personnel between two or more districts, when the participating districts plan to utilize a modified block schedule for offering classes in the districts and sharing the certificated instructional personnel because of the modified block schedule. One-half of the approved pilot projects each year shall be projects of school districts with less than twelve hundred combined certified enrollment. The approved pilot projects shall also be as geographically distributed throughout the state as possible.

2. The boards of directors of two or more school districts may jointly apply to the state board of education for approval of a pilot project to jointly utilize a modified block schedule. The application shall be received by January 1 of the preceding school year. The state board shall review the applications and notify school districts with approved applications not later than February 15 of the preceding school year. The state board may request that a proposal be amended and resubmitted within the specified time period, to permit the proposal to comply with the requirements pursuant to subsection 3.

3. The application, pursuant to subsection 2, shall include the following:

a. Demonstration of a projected minimum of fifteen percent annual combined instructional and support cost savings of the projected costs if the districts would not utilize a modified block schedule, through reduction of employment of certificated instructional and support personnel.

b. Demonstration among the grades participating in the project of the following: greater student-certificated instructional personnel ratio, an increased number of course offerings, and an average reduction of course preparations per certificated teacher.

c. Demonstration of the acceptance of the modified block schedule by the administration personnel, the majority of each board of directors of each school district participating in the pilot project, and the certificated instructional personnel.

d. Transition and implementation plans regarding the in-service plan pursuant to subsection 5 and the changes necessary for a permanent modified block schedule.

e. Sabbatical plan for temporarily displaced teachers, which may include, but not be limited to, in-service, postsecondary enrollment, career advancement, consultant and other teaching positions in another school district.

For purposes of this section "instructional and support cost" means the general education costs, including salaries, benefits, contract or purchase services, supplies, capital outlay, miscellaneous expenses, and fund transfers.

4. Certificated instructional personnel notified, after approval of the pilot project by the state board, that the person's position has been temporarily displaced for the period of the pilot project, shall continue to be employed by the school district in a sabbatical capacity as mutually determined by the person and the board. If the determination is made that the person may be employed as a teacher in another school district for the period of the pilot project, the person shall receive the amount of the difference between the compensation which would have been received from the school district participating in the pilot project and the compensation received from the school district not participating in the pilot project, from the school district

participating in the pilot project. All other terms of the contract with the school district participating in the pilot project shall remain in effect for the school year affected by the pilot project.

5. The school districts participating in the approved pilot project shall conduct in-service training for all certificated instructional and noninstructional personnel regarding the modified block scheduling, between the date notified by the state board of education regarding approval of the pilot project and September 1. Personnel shall receive compensation for the training, based on the per diem compensation received under the contract of the employing school district. The in-service training shall not be less than ten days.

6. The school district shall submit a quarterly report to the department of education, including but not limited to, test scores, daily attendance rates, and resulting ratio between students and certificated instructional personnel. The state board of education shall provide consultation and information to the school districts with approved pilot projects by providing in-state and out-of-state consultants familiar with modified block scheduling, research, and dissemination of information, and any other manner deemed appropriate. The state board shall encourage the appropriate school districts to review the concept of modified block scheduling and to adopt the concept for school years beginning July 1, 1989 and thereafter.

7. A school district may conduct a pilot project for only one school year.

8. This section does not preclude a school district from sharing certificated instructional personnel with one or more other school districts in order to utilize a modified block schedule for offering classes in the districts without obtaining approval from the department of education and designation as a pilot project.

Sec. 30. NEW SECTION. 256.19 PILOT PROJECTS.

For fiscal years in which moneys are appropriated by the general assembly for the purpose of section 256.18 the state board of education shall notify the department of revenue and finance of the amounts necessary for each pilot project in order to reimburse the certificated instructional personnel pursuant to section 256.18, subsection 4, for the in-service training pursuant to section 256.18, subsection 5, and for other costs related to the approved pilot projects.

Sec. 31. NEW SECTION. 256.20 YEAR AROUND SCHOOLS.

Pursuant to section 279.10, subsection 1, relating to the maintenance of school during an entire year, the board of directors of a school district may request approval from the state board of education for a pilot project for a year around three semester school year. The deadlines for approval of a pilot project under this section are the deadlines specified in section 256.18 for approval of a modified block scheduling pilot project.

The application shall describe the anticipated additional costs to the school district and the benefits to be gained from the three semester school year. Students would not be required to attend school more than two semesters each school year.

Participation in a pilot project shall not modify provisions of a master contract negotiated between a school district and a certified bargaining unit pursuant to chapter 20 unless mutually agreed upon.

If moneys are appropriated by the general assembly for funding the costs of pilot projects under this section, the state board of education shall notify the department of revenue and finance of the amounts to be paid to each school district with an approved pilot project.

Sec. 12. NEW SECTION. 256.21 SABBATICAL PROGRAM.

If the general assembly appropriates money for grants to provide sabbaticals for teachers, a sabbatical program shall be established as provided in this section. For the school years commencing July 1, 1988, July 1, 1989, and July 1, 1990, any teacher with at least seven years of teaching experience in this state may submit an application for a sabbatical to the department of education not later than November 1 of the preceding school year.

A teacher's application shall include a plan for the use of the period of the sabbatical, including, but not limited to, additional education, use of a fellowship, conducting of research, writing relating to a particular subject area, or other activities relating to an enhancement of teaching skills. The teacher's plan must be accompanied by the written approval of the superintendent of the school district and a statement by the superintendent describing the benefits of the sabbatical to the school district.

The state board of education shall adopt rules under chapter 17A relating to submission of sabbatical plans and criteria for awarding the sabbaticals, including both the benefit to the teacher and the benefit to the school district. Sabbaticals shall be awarded by the department not later than January 1 of the preceding school year.

A sabbatical grant to a teacher shall be equal to the costs to the school district of the teacher's regular compensation as defined in section 294A.2 plus the cost to the district of the fringe benefits of the teacher. The grant shall be paid to the school district, and the district shall continue to pay the teacher's regular compensation as well as the cost to the district of the substitute teacher. Teachers and boards of school districts are encouraged to seek funding from other sources to pay the costs of sabbaticals for teachers. Grant moneys are miscellaneous income for purposes of chapter 442.

A sabbatical approved by the department may be for any period of time not exceeding one year.

A teacher granted a sabbatical under this section shall agree either to return to the school district granting the leave for a period of not less than two years or to repay to the department of education the amount of the sabbatical grant received during the leave.

Notwithstanding section 8.33, if moneys are appropriated by the general assembly for the sabbatical program for either the fiscal year beginning July 1, 1988 or July 1, 1989, the moneys shall not revert at the end of that fiscal year but shall carry over and may be expended during the next fiscal year.

This section does not preclude a school district from providing a sabbatical program for its teachers separate from the sabbatical program provided under this section.

Sec. 33. Section 260.6, Code 1987, is amended to read as follows:

260.6 CERTIFICATES REQUIRED.

The board of educational examiners shall issue certificates pursuant to sections 256.7, subsection 3, and 260.2. A person employed as an administrator, supervisor, school service person, or teacher in the public schools shall hold a certificate valid for the type of position in which the person is employed. Effective July 1, 1990, the board shall only issue an emergency temporary certificate or endorsement to an individual employed by a school district or nonpublic school after the board of that school district or authorities in charge of that nonpublic school certify to the board of educational examiners that the board or authorities attempted to employ a certificated or endorsed individual to fill the teaching vacancy and, if the vacancy is in a school district, the board also attempted to complete a sharing agreement with another school district for providing the classes or courses. An emergency temporary certificate or endorsement is valid for one year after its issuance and shall not be renewed.

Sec. 34. NEW SECTION. 260.20 NATIONAL CERTIFICATION.

The board of educational examiners shall review the certification standards for teacher's certificates adopted by the national board for professional teaching standards, a nonprofit corporation created as a result of recommendations of the task force on teaching as a profession of the Carnegie forum on education and the economy. In those cases in which the standards required by the national board for an Iowa endorsement meet or exceed the requirements contained in rules adopted under this chapter for that endorsement, the board of educational examiners shall issue certificates to holders of certificates issued by the national board who request the certificate.

Sec. 35. NEW SECTION. 261C.1 TITLE.

This chapter may be cited as the "Postsecondary Enrollment Options Act".

Sec. 36. NEW SECTION. 261C.2 POLICY.

It is the policy of this state to promote rigorous academic pursuits and to provide a wider variety of options to high school pupils by enabling eleventh and twelfth grade pupils to enroll part time in nonsectarian courses in eligible postsecondary institutions of higher learning in this state.

Sec. 37. NEW SECTION. 261C.3 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Eligible postsecondary institution" means an institution of higher learning under the control of the state board of regents, an area school established under chapter 280A, or an accredited private institution as defined in section 261.9, subsection 5.

2. "Eligible pupil" means a pupil classified by the board of directors of a school district as an eleventh or twelfth grade pupil during the period the pupil is participating in the enrollment option provided under this chapter.

Sec. 38. NEW SECTION. 261C.4 AUTHORIZATION.

An eligible pupil may make application to an eligible institution to allow the eligible pupil to enroll for academic credit in a nonsectarian course offered at that eligible institution. A comparable course must not be offered by the school district in which the pupil is enrolled. If an eligible institution accepts an eligible pupil for enrollment under this section, the institution shall send written notice to the pupil, the pupil's school district, and the department of education. The notice shall list the course, the clock hours the pupil will be attending the course, and the number of hours of postsecondary academic credit that the eligible pupil will receive from the eligible institution upon successful completion of the course.

Sec. 39. NEW SECTION. 261C.5 HIGH SCHOOL CREDITS.

A school district may grant high school academic credit to an eligible pupil enrolled in a course under this chapter if the eligible pupil successfully completes the course as determined by the eligible institution. The board of directors of the school district shall determine the number of high school credits that shall be granted to an eligible pupil who successfully completes a course.

The high school credits granted to an eligible pupil under this section shall count toward the graduation requirements and subject area requirements of the school district of residence of the eligible pupil. Evidence of successful completion of each course and high school credits and postsecondary academic credits received shall be included in the pupil's high school transcript.

Sec. 40. NEW SECTION. 261C.6 SCHOOL DISTRICT PAYMENTS.

Not later than June 30 of each year, a school district shall pay a tuition reimbursement amount to an eligible postsecondary institution that has enrolled its resident eligible pupils under this chapter. The amount of tuition reimbursement for each separate course shall equal the lesser of:

1. The actual and customary costs of tuition, textbooks, materials, and fees directly related to the course taken by the eligible student.

2. Two hundred dollars.

A pupil is not eligible to enroll on a full-time basis in an eligible postsecondary institution and receive payment for all courses in which a student is enrolled. If an eligible postsecondary institution is an area school established under chapter 280A, the contact hours of a pupil for which a tuition reimbursement amount is received are not contact hours eligible for general aid under chapter 286A.

Sec. 41. NEW SECTION. 261C.7 TRANSPORTATION.

The parent or guardian of an eligible pupil who has enrolled in and is attending an eligible postsecondary institution under this chapter shall furnish transportation to and from the eligible postsecondary institution for the pupil.

Sec. 42. NEW SECTION. 261C.8 PROHIBITION ON CHARGES.

An eligible postsecondary institution that enrolls an eligible pupil under this chapter shall not charge that pupil for tuition, textbooks, materials, or fees directly related to the course in which the pupil is enrolled except that the pupil may be required to purchase equipment that becomes the property of the pupil.

Sec. 43. NEW SECTION. 261C.9 PUPIL ENROLLMENT.

Payments shall not be made under section 261C.6 if the eligible pupil is enrolled on a full-time basis in the pupil's school district of residence as well as enrolling in a course or program in an eligible postsecondary institution.

Sec. 44. Section 273.1, Code 1987, is amended to read as follows:

273.1 INTENT.

It is the intent of the general assembly to provide an effective, efficient, and economical means of identifying and serving children from under five years of age through grade

twelve who require special education and any other children requiring special education as defined in section 281.2; to provide for media services and other programs and services for pupils in grades kindergarten through twelve and children requiring special education as defined in section 281.2; to provide a method of financing the programs and services; and to avoid a duplication of programs and services provided by any other school corporation in the state; and to provide services to school districts under a contract with those school districts.

Sec. 45. NEW SECTION. 273.7A SERVICES TO SCHOOL DISTRICTS.

The board of an area education agency may provide services to school districts located in the area education agency under contract with the school districts. These services may include, but are not limited to, superintendency services, personnel services, business management services, specialized maintenance services, and transportation services. In addition, the board of the area education agency may provide for furnishing expensive and specialized equipment for school districts. School districts shall pay to area education agencies the cost of providing the services.

The board of an area education agency may also provide services authorized to be performed by area education agencies to other area education agencies in this state and to provide a method of payment for these services.

Sec. 46. Section 277.27, Code 1987, is amended to read as follows:

277.27 QUALIFICATION.

A school officer or member of the board shall, at the time of election or appointment, be an eligible elector of the corporation or subdistrict. Notwithstanding any contrary provision of the Code, no a member of the board of directors of any a school district; or director's spouse, shall not

receive compensation directly from the school board. No director or spouse affected by this provision on July 1, 1972, whose term of office for which elected has not expired, or whose contract of employment has a fixed date of expiration and has not expired, shall be affected by this provision until the expiration of the term of office to which elected, or the expiration date of the contract for which employed.

Sec. 47. Section 279.1, unnumbered paragraph 1, Code 1987, is amended to read as follows:

The board of directors of each school corporation shall meet and organize at two o'clock p.m. or at seven-thirty o'clock p.m., if so ordered by the president of the board, on the third Monday in September each year the first regular meeting after a regular school election at some suitable place to be designated by the secretary. Notice of the place and hour of such meeting shall be given by the secretary to each member and each member-elect of the board.

Sec. 48. Section 279.20, Code 1987, is amended to read as follows:

279.20 SUPERINTENDENT -- TERM.

The board of directors of any a school district shall have power to may employ a superintendent of schools for one year. After serving at least seven months, the superintendent may be employed for a term of not to exceed three years. However, the board's initial contract with a superintendent shall not exceed one year if the board is obligated to pay a former superintendent under an unexpired contract. The superintendent shall be the executive officer of the board and have such powers and duties as may be prescribed by rules adopted by the board or by law. Boards of directors may jointly exercise the powers conferred by this section.

Sec. 49. Section 279.35, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

279.35 PUBLICATION OF PROCEEDINGS.

The proceedings of each regular, adjourned, or special meeting of the board, including the schedule of bills allowed, shall be published after the adjournment of the meeting in the manner provided in this section and section 279.36, and the publication of the schedule of the bills allowed shall include a list of claims allowed, including salary claims for services performed. The schedule of bills allowed may be published on a once monthly basis in lieu of publication with the proceedings of each meeting of the board. The list of claims allowed shall include the name of the person or firm making the claim, the purpose of the claim, and the amount of the claim. However, salaries paid to individuals regularly employed by the district shall only be published annually and the publication shall include the total amount of the annual salary of each employee. The secretary shall furnish a copy of the proceedings to be published within two weeks following the adjournment of the meeting.

Sec. 50. Section 279.36, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

279.36 PUBLICATION PROCEDURES AND FEE.

The requirements of section 279.35 are satisfied by publication in at least one newspaper published in the district or, if there is none, in at least one newspaper having general circulation within the district.

For the fiscal year beginning July 1, 1987, the fee for publications required under section 279.35 shall not exceed three-fifths of the legal publication fee provided by statute for the publication of legal notices. For the fiscal year beginning July 1, 1988, the fee for the publications shall not exceed three-fourths of that legal publication fee. For the fiscal year beginning July 1, 1989, and each fiscal year thereafter, the fee for the publications shall be the legal publication fee provided by statute.

Sec. 51. NEW SECTION. 279.46 RETIREMENT INCENTIVES.

The board of directors of a school district may adopt a program for payment of a monetary bonus, continuation of health or medical insurance coverage, or other incentives for encouraging its employees to retire before the normal retirement date as defined in chapter 97B. The program is available only to employees between fifty-nine and sixty-five years of age who notify the board of directors prior to March 1 of the fiscal year that they intend to retire not later than the next following June 30. An employee retiring under this section shall apply for a retirement allowance under chapter 97B or chapter 294. If the total estimated accumulated cost to a school district of the bonus or other incentives for employees who retire under this section does not exceed the estimated savings in salaries and benefits for employees who replace the employees who retire under the program, the board may certify for levy a tax on all taxable property in the school district to pay the costs of the program provided in this section. The levy certified under this section is in addition to any other levy authorized for that school district by law and is not subject to budget limitations otherwise provided by law. A board may amend its certified budget during a fiscal year to provide for payments required under this section. Moneys received from the levy imposed under this section are miscellaneous income for purposes of chapter 442.

Sec. 52. Section 280.4, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 4. In order to provide funds for the excess costs of instruction of non-English-speaking students above the costs of instruction of pupils in a regular curriculum, students identified as non-English-speaking are assigned an additional weighting of two-tenths and that weighting shall be included in the weighted enrollment of the school district of residence.

Sec. 53. NEW SECTION. 280.13A SHARING INTERSCHOLASTIC ACTIVITIES.

If a school district does not provide an interscholastic activity for its students, the board of directors of that school district may complete an agreement with another school district to provide for the eligibility of its students in interscholastic activities provided by that other school district. A copy of each agreement completed under this section shall be filed with the appropriate organization as organization is defined in section 280.13 not later than April 30 of the school year preceding the school year in which the agreement takes effect, unless an exception is granted by the organization for good cause. An agreement completed under this section shall be deemed approved unless denied by the governing organization within ten days after its receipt. A governing organization shall determine whether an agreement would substantially prejudice the interscholastic activities of other schools. An agreement denied by a governing board under this section may be appealed to the state board of education under chapter 290.

For the purpose of this section, substantial prejudice includes, but is not limited to, situations where shared interscholastic activities may result in an unfair domination of an interscholastic activity or substantial disruption of activity classifications and management.

It is not necessary that school districts that are parties to an agreement under this section must be engaged in sharing academic programming and receiving supplementary weighting under section 442.39.

Sec. 54. Section 280.15, Code 1987, is amended to read as follows:

280.15 JOINT EMPLOYMENT AND SHARING.

Two or more public school districts may jointly employ and share the services of any school personnel, or acquire and

share the use of classrooms, laboratories, equipment and facilities. Classes made available to students in the manner provided in this section shall be considered as complying with the requirements of section 275.1 relating to the maintenance of kindergarten and twelve grades by a school district. If students attend classes in another school district under this section under an agreement that provides for whole grade sharing, the boards of directors of districts entering into these agreements shall provide for sharing the costs and expenses as provided in sections 282.10 through 282.12.

Sec. 55. Section 280.16, Code 1987, is amended by striking the section and inserting the following:

280.16 OPEN ENROLLMENT.

For the school years commencing July 1, 1988 and July 1, 1989, a parent or guardian residing in a school district in which the high school offers fewer than forty-one curriculum units either on its own or under a sharing agreement that does not meet the criteria for section 282.11 may enroll the parent's or guardian's child in a public school in a contiguous school district in the manner provided in this section if the conditions specified in this section exist.

Not later than February 1 of the preceding school year, the parent or guardian shall send notification to the district of residence and to the department of education on forms prescribed by the department of education that the parent or guardian intends to enroll the parent's or guardian's child in a public school in a contiguous school district because the academic curriculum of the contiguous school district provides substantial educational opportunities for a pupil that are not available to that pupil in the district of residence. The notification shall list the educational opportunities that the parent or guardian believes are necessary for the child and shall describe the manner in which the contiguous district can provide those educational opportunities. The state board of

education shall adopt rules under chapter 17A that define educational opportunity.

A request under this section is for a period not less than four years unless the pupil will graduate within the four-year period. However, if a parent or guardian chooses to reenroll the child in the district of residence, or to enroll the child in another school district, during the four-year period, the parent or guardian shall pay the maximum tuition fee to the district pursuant to section 282.24.

The board of directors of the district of residence shall approve or disapprove the request within thirty days of its receipt. The parent or guardian may appeal the decision of the board under chapter 290. If the parent or guardian appeals to the state board of education, the board of the district of residence must prove to the state board that the conditions listed in the request do not exist and the request of the parent or guardian is not valid.

Following approval of the transfer, the board of the district of residence shall transmit a copy of the form to the contiguous school district. The board of the contiguous school district shall enroll the pupil in a school in the contiguous district for the following school year unless the contiguous district does not have classroom space for the pupil.

The board of directors of the district of residence shall pay to the contiguous school district the lower district cost per pupil of the two districts for that school year. Quarterly payments shall be made to the contiguous district. Notwithstanding section 269.1 relating to transportation of nonresident pupils, the parent or guardian is responsible for transporting the student without reimbursement to and from a point on a regular school bus route of the contiguous district.

A student who attends school in a contiguous school district is not eligible to participate in interscholastic athletic contests and athletic competitions during the first year of enrollment under this section except for an interscholastic sport in which the district of residence and the contiguous school district jointly participate.

Sec. 56. NEW SECTION. 280.18 STUDENT ACHIEVEMENT GOALS.

The board of directors of each school district shall adopt goals to improve student achievement and performance. Student achievement and performance can be measured by measuring the improvement of students' skills in reading, writing, speaking, listening, mathematics, reasoning, studying, and technological literacy.

In order to achieve the goal of improving student achievement and performance on a statewide basis, the board of directors of each school district shall adopt goals that will improve student achievement at each grade level in the skills listed in this section and other skills deemed important by the board. Not later than July 1, 1989, the board of each district shall transmit to the department of education its plans for achieving the goals it has adopted and the periodic assessment that will be used to determine whether its goals have been achieved. The committee appointed by the board under section 280.12 shall advise the board concerning the development of goals, the assessment process to be used, and the measurements to be used.

The periodic assessment used by a school district to determine whether its student achievement goals have been met shall use various measures for determination, of which standardized tests may be one. The board shall ensure that the achievement of goals for a grade level has been assessed at least once during every four-year period.

The board shall file assessment reports with the department of education and shall make copies of these reports available to the residents of the school district.

Sec. 57. Section 280A.25, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 11. Adopt rules prohibiting an area school that does not provide intercollegiate athletics as a part of its program on July 1, 1987 from adding intercollegiate athletics to its program after that date.

Sec. 58. Section 280A.25, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 12. Ensure that area schools that provide intercollegiate athletics as a part of their program comply with section 601A.9.

Sec. 59. Section 282.7, subsection 1, Code 1987, is amended to read as follows:

1. The board of directors of a school district by record action may discontinue any or all of grades seven through twelve and negotiate an agreement for attendance of the pupils enrolled in those grades in the schools of one or more contiguous school districts having accredited school systems. If the board designates more than one contiguous district for attendance of its pupils, the board shall draw boundary lines within the school district for determining the school districts of attendance of the pupils. The portion of a district so designated shall be contiguous to the accredited school district designated for attendance. Only entire grades may be discontinued under this subsection and if a grade is discontinued, all higher grades in that district shall also be discontinued. A school district that has discontinued one or more grades under this subsection has complied with the requirements of section 275.1 relating to the maintenance of kindergarten and twelve grades. A pupil who graduates from another school district under this subsection shall receive a diploma from the receiving district. ~~Further shall be provided by the board of directors entering into an~~ subsection-27

agreement under this section shall provide for sharing the costs and expenses as provided in sections 282.10 through 282.12. The agreement shall provide for transportation and authority and liability of the affected boards.

Sec. 60. NEW SECTION. 282.10 WHOLE GRADE SHARING.

1. Whole grade sharing is a procedure used by school districts whereby all or a substantial portion of the pupils in any grade in two or more school districts share an educational program for all or a substantial portion of a school day under a written agreement pursuant to section 256.13, 280.15, or 282.7, subsection 1. Whole grade sharing may either be one-way or two-way sharing.

2. One-way whole grade sharing occurs when a school district sends pupils to one or more other school districts for instruction and does not receive a substantial number of pupils from those districts in return.

3. Two-way whole grade sharing occurs when a school district sends pupils to one or more other school districts for instruction and receives a substantial number of pupils from those school districts in return.

4. A whole grade sharing agreement shall be signed by the boards of the districts involved in the agreement not later than February 1 of the school year preceding the school year for which the agreement is to take effect.

Sec. 61. NEW SECTION. 282.11 PROCEDURE.

Not less than thirty days prior to signing a whole grade sharing agreement whereby all or a substantial portion of the pupils in a grade in the district will attend school in another district, the board of directors of each school district that is a party to a proposed sharing agreement shall hold a public hearing at which the proposed agreement is described, and at which the parent or guardian of an affected pupil shall have an opportunity to comment on the proposed agreement. Within the thirty-day period prior to the signing

of the agreement, the parent or guardian of an affected pupil may appeal the sending of that pupil to the school district specified in the agreement, to the state board of education. A parent or guardian may appeal on the basis that sending the pupil to school in the district specified in the agreement will not meet the educational program needs of the pupil, or the school in the school district to which the pupil will be sent is not appropriate because consideration was not given to geographical factors. An appeal shall specify a contiguous school district to which the parent or guardian wishes to send the affected pupil. If the parent or guardian appeals, the standard of review of the appeal is clear and convincing evidence that the parent or guardian's hardship outweighs the benefits and integrity of the sharing agreement. The state board may require the district of residence to pay tuition to the contiguous school district specified by the parent or guardian, or may deny the appeal by the parent or guardian. If the state board requires the district of residence to pay tuition to the contiguous school district specified by the parent or guardian, the tuition shall be equal to the tuition established in the sharing agreement. The decision of the state board is binding on the boards of directors of the school districts affected, except that the decision of the state board may be appealed by either party to the district court.

Sec. 62. NEW SECTION. 282.12 FUNDING.

1. An agreement for whole grade sharing shall establish a method for determination of costs, if any, associated with the sharing agreement.

2. For one-way sharing, the sending district shall pay no less than one-half of the district cost per pupil of the sending district.

3. For two-way sharing, the costs shall be determined by mutual agreement of the boards.

4. The number of pupils participating in a whole grade sharing agreement shall be determined on the third Friday of September and third Friday of February of each year.

Sec. 63. Section 282.24, subsection 2, Code 1987, is amended to read as follows:

2. ~~The tuition fee charged by the board of directors for pupils attending school in the district under section 282.27, subsection 17 shall not exceed the actual cost of providing the educational program for either the high school or the junior high school in that district and shall not be less than the maximum tuition rate in that district.~~ For the purpose of this section, high school means a school which commences with either grade nine or grade ten as determined by the board of directors of the district, and junior high school means the remaining grades commencing with grade seven.

Sec. 64. Section 290.1, Code 1987, is amended to read as follows:

290.1 APPEAL TO STATE BOARD.

Any A person aggrieved by any a decision or order of the board of directors of any a school corporation in a matter of law or fact, or a decision or order of a board of directors under section 280.16 may, within thirty days after the rendition of such the decision or the making of such the order, appeal therefrom the decision or order to the state board of education; the basis of the proceedings shall be an affidavit filed with the state board by the party aggrieved within the time for making the appeal, which affidavit shall set forth any error complained of in a plain and concise manner.

Sec. 65. Section 442.4, Code 1987, is amended by adding the following new unnumbered paragraph after the fourth unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. An eleventh or twelfth grade pupil who is no longer a resident of a school district, but

who was a resident of the district during the preceding school year may enroll in the district and shall be included in the basic enrollment of the district until the pupil graduates. Tuition for that pupil shall not be charged by the district in which the pupil is enrolled.

Sec. 66. Section 442.4, subsection 3, paragraphs a and b, Code 1987, are amended to read as follows:

a. Twenty-five percent of the basic enrollment for the school year beginning July 1, 1979. However, if the basic enrollment of a school district for a budget year is more than fifteen percent higher than the basic enrollment of the district for the base year, the school district's basic enrollment for the budget year shall be used thereafter for the calculation required under this paragraph in lieu of using the basic enrollment for the school year beginning July 1, 1979. However, for the school year beginning July 1, 1989 and each succeeding school year, the twenty-five percent portion shall be reduced to twenty percent.

b. Seventy-five percent of the adjusted enrollment computed under subsection 2, paragraph "a," of this section. However, for the school year beginning July 1, 1989 and each succeeding school year, the seventy-five percent portion shall be increased to eighty percent.

Sec. 67. Section 442.4, subsection 5, Code 1987, is amended to read as follows:

5. 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 of the school district for the base year, the department of management 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. For each of the school years beginning July 1, 1988 and July 1, 1989, the one hundred two percent amount shall be reduced by five-tenths of one percent so that for the school year beginning July 1, 1989 and each succeeding school year, the guarantee amount for the budget year is one hundred one 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.

Sec. 68. Section 442.4, subsection 6, unnumbered paragraph 1, Code 1987, is amended to read as follows:

For the school year beginning July 1, 1988, 1988, and each subsequent school year, weighted enrollment is the budget enrollment as modified by application of the special education weighting plan in section 281.9, the non-English-speaking weighting plan in section 280.4, and the supplementary weighting plan in this chapter.

Sec. 69. Section 442.14, subsection 1, Code 1987, is amended to read as follows:

1. For the budget year beginning July 1, 1980, and each succeeding school year, if a school board wishes to spend more than the amount permitted under sections 442.1 to 442.13, and the school board has not attempted by resolution to raise an additional enrichment amount for that budget year, the school board may raise an additional enrichment amount not to exceed

ten percent of the state cost per pupil multiplied by the budget enrollment in the district, as provided in this section. For the budget year beginning July 1, 1988 and each succeeding school year, the additional enrichment amount that may be raised is an amount not to exceed fifteen percent of the state cost per pupil multiplied by the budget enrollment in the district. The additional five percent is to provide additional moneys for districts because of budget reductions incurred beginning July 1, 1988 under sections 442.4, subsections 3 and 5.

Sec. 70. Section 442.14, subsection 4, Code 1987, is amended to read as follows:

4. The additional enrichment amount for a district is limited to the amount which may be raised by a combination tax in the prescribed proportion which does not exceed a property tax of one dollar and ~~eight~~ sixty-two cents per thousand dollars of assessed valuation and an income surtax of twenty ~~thirty~~ percent.

Sec. 71. Section 442.15, unnumbered paragraph 3, Code 1987, is amended to read as follows:

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

Sec. 72. Section 442.39, subsection 4, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Pupils enrolled in a school district in which one or more administrators are employed jointly under section 280.15, or in which one or more administrators are employed under section 273.7A, are assigned a weighting of one plus five-hundredths for each administrator who is jointly employed times the percent of the administrator's time in which the administrator is employed in the school district. However, the total additional weighting assigned under this subsection for a budget year for a school district is fifteen and the total additional weighting that may be added cumulatively to the enrollment of school districts sharing an administrator is twenty-five.

Sec. 73. The legislative council is requested to appoint a task force consisting of members of the house and senate committees on education and representatives from various education interest groups and institutions providing approved teacher preparation programs to study the role of teachers in the school district, assistance to teachers to foster the development of effective schools, provision for teachers to assume a more active role in educational planning in a school district, and the requirements for teacher preparation programs for the twenty-first century based upon recent recommendations of national associations and organizations who have studied teaching as a profession.

The task force shall report its recommendations to the general assembly by February 1, 1988.

Sec. 74. The legislative council shall appoint a working committee to conduct a comprehensive study of school finance and make recommendations for a school finance program for Iowa for the 1990's and beyond. The study shall include a review of the present school finance formula, the property tax burden on taxpayers of the various school districts including the property assessment practices prescribed in sections 441.18 through 441.21, and the effect upon the formula of additional

moneys provided to improve teacher salaries as well as a review of the following proposals:

1. Senate File 2298, introduced during the 1986 session of the general assembly.
2. The final report of the excellence in education study committee which met during the 1985 interim.
3. The final report of the property tax issues study committee which met during the 1986 interim.
4. The final report of the state tax reform study committee which met during the 1986 interim.

The working committee appointed by the legislative council shall be composed of members of both political parties and both houses who are members of the committees on education and the committees on ways and means and members who represent the department of education, education interest groups, and other organizations and associations interested in school finance.

The committee shall be staffed by the legislative service bureau and the legislative fiscal bureau. The committee shall begin its deliberations following the adjournment of the 1987 session of the general assembly and shall issue its report of recommendations which shall include a school aid formula to replace the formula within chapter 442, by January 1, 1989.

It is the intent of the general assembly that the general assembly meeting in 1989 shall enact a school aid formula to replace the formula contained in chapter 442 of the Code. The new formula shall take effect for the computations and procedures needed during the school year beginning July 1, 1990 in order to implement the new formula for the school year beginning July 1, 1991.

Sec. 75. For an appeal filed with the state board of education under chapter 290 between February 18, 1987 and February 20, 1987 relating to a decision of a board of directors of a school district for school district restructuring, the state board of education shall consider all of the following factors:

1. The continuity of the educational program of the district.
2. Cost effectiveness when the restructuring is compared to other alternatives.
3. The quality and physical condition of the school district facilities affected.
4. The past and present student enrollment in the affected area compared to the total past and present student enrollment in the district.
5. Restructuring recommendations of a citizens task force appointed by the board of directors.
6. Transportation changes required because of restructuring and their impact upon participation in student activities.
7. Presence or absence of violations by the board of directors of the school district of rules and guidelines adopted or promulgated by the state board.

Sec. 76. The state board of education shall study the feasibility of enacting permanent legislation that would allow school students residing in school districts to attend school in other school districts and shall report its conclusions to the general assembly not later than January 1, 1988. The state board shall consider, but not be limited to, the conditions under which such a transfer might be made, the requirements for an appeal process by either party, the method and determination of payment, transportation efficiency, and impact on the educational system of the state.

Sec. 77. Iowa Acts, 1986 Session, chapter 1245, section 1499B, is repealed.

Sec. 78. Section 279.34, Code 1987, is repealed.

Sec. 79. Chapter 294A and section 75 of this Act, being deemed of immediate importance, take effect upon their enactment. Sections 27, 54, 59, 60, and 62 of this Act do not apply to sharing agreements signed before the effective date

of those sections. Sections 55 and 68 of this Act take effect for the school year beginning July 1, 1988. Section 280.16, Code 1987, remains in effect for the school year beginning July 1, 1987.

Sec. 80. Chapter 261C, Code 1989, is repealed June 30, 1990.

Sec. 81. Chapter 442, Code 1991, is repealed June 30, 1991.

DONALD D. AVENSON
Speaker of the House

JO ANN ZIMMERMAN
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 499, Seventy-second General Assembly.

Approved June 9, 1987

JOSEPH O'HERN
Chief Clerk of the House

TERRY E. BRANSTAD
Governor