

Reprinted

JAN 11 1990

Place On Calendar

HOUSE FILE 2068

BY COMMITTEE ON EDUCATION

(Formerly House Study Bill 506)

Passed House, Date 1/19/90 (p. 123)

Passed Senate, Date 4/3/90 (p. 1481)

Vote: Ayes 93 Nays 0

Vote: Ayes 47 Nays 2

Approved April 24, 1990

A BILL FOR

1 An Act providing technical changes to the financing of education
2 programs of school districts.

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

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HF 2068

1 Section 1. Section 257.2, subsection 3, Code Supplement
2 1989, is amended to read as follows:

3 3. "Budget adjustment" ~~is~~ means an adjustment to the
4 regular program budget district cost of a school district for
5 school districts in which the regular program budget district
6 cost for a year would be less than ~~its~~ the regular program
7 budget district cost for the previous year.

8 Sec. 2. Section 257.7, subsection 1, Code Supplement 1989,
9 is amended to read as follows:

10 1. BUDGETS. School districts are subject to chapter 24.
11 The authorized expenditures of a school district during a base
12 year shall not exceed the lesser of the budget for that year
13 certified under section 24.17 plus any allowable amendments
14 permitted in this section, or the authorized budget, which is
15 the sum of the combined district cost for that year, the
16 actual miscellaneous income received for that year, and the
17 actual unspent balance from the preceding year.

18 Sec. 3. Section 257.9, subsection 1, unnumbered paragraph
19 1, and paragraphs a and b, Code Supplement 1989, are amended
20 to read as follows:

21 REGULAR PROGRAM STATE COST PER PUPIL FOR 1991-1992. For
22 the budget year beginning July 1, 1991, for the regular
23 program state cost per pupil, the department of management
24 shall add together ~~the state total of the district costs of~~
25 ~~all school districts~~ the sum of the products of each
26 district's regular program district cost per pupil for the
27 base year, as regular program district cost is defined in per
28 pupil would have been calculated under section 442.9, Code
29 1989, multiplied by its budget enrollment as budget enrollment
30 would have been calculated under section 442.4, Code 1989, for
31 the base year, plus the total sum of the amounts added to the
32 district cost of school districts pursuant to section 442.21,
33 Code 1989, ~~plus the amount included in the districts' budgets~~
34 ~~in the state for the fiscal year beginning July 1, 1986, for~~
35 ~~the additional portion of the livestock tax credit pursuant to~~

1 ~~section-442.27-subsection-27-as-it-appeared-in-the-1987-Code~~
2 ~~and-plus-the-difference-between-the-following-amounts:~~

3 ~~a.--The-general-allocation-of-the-school-district-as~~
4 ~~determined-under-section-405A.27-Code-1989.~~

5 ~~b.--The-foundation-property-tax-rate-multiplied-by-the~~
6 ~~total-actual-value-of-all-personal-property-assessed-for~~
7 ~~valuation-in-the-school-district-as-of-January-17-1973,~~
8 ~~excluding-livestock.~~

9 Sec. 4. Section 257.10, subsection 1, Code Supplement
10 1989, is amended to read as follows:

11 1. REGULAR PROGRAM DISTRICT COST PER PUPIL FOR 1991-1992.
12 For the budget year beginning July 1, 1991, in order to
13 determine the regular program district cost per pupil for a
14 district, the department of management shall divide the
15 product of the regular program district cost per pupil of the
16 district for the base year, as defined in regular program
17 district cost per pupil would have been calculated under
18 section 442.9, Code 1989, multiplied by its budget enrollment
19 for the base year as budget enrollment would have been
20 calculated under section 442.4, Code 1989, plus the amount
21 added to district cost pursuant to section 442.21, Code 1989,
22 for each school district, by the budget enrollment of the
23 school district for the budget year beginning July 1, 1990,
24 calculated under section 257.6, subsection 4, as if section
25 257.6, subsection 4, had been in effect for that budget year.
26 The regular program district cost per pupil for the budget
27 year beginning July 1, 1991, is the amount calculated by the
28 department of management under this subsection plus the
29 allowable growth amount calculated for regular program state
30 cost per pupil, except that if the regular program district
31 cost per pupil for the budget year calculated under this
32 subsection in any school district exceeds one hundred ten
33 percent of the regular program state cost per pupil for the
34 budget year, the department of management shall reduce the
35 regular program district cost per pupil of that district for

1 the budget year to an amount equal to one hundred ten percent
2 of the regular program state cost per pupil for the budget
3 year, and if the regular program district cost per pupil for
4 the budget year calculated under this subsection in any school
5 district is less than the regular program state cost per pupil
6 for the budget year, the department of management shall
7 increase the regular program district cost per pupil shall-be
8 increased of that district to an amount equal to the regular
9 program state cost per pupil for the budget year.

10 Sec. 5. Section 257.10, subsection 6, Code Supplement
11 1989, is amended to read as follows:

12 6. REGULAR PROGRAM DISTRICT COST. Regular program
13 district cost for a school district for a budget year is equal
14 to the regular program district cost per pupil for the budget
15 year multiplied by the weighted budget enrollment for the
16 budget year.

17 Sec. 6. Section 257.10, subsection 8, Code Supplement
18 1989, is amended to read as follows:

19 8. COMBINED DISTRICT COST. Combined district cost is the
20 sum of the regular program district cost per pupil multiplied
21 by the weighted enrollment and the special education support
22 services district cost, plus the additional district cost
23 allocated to the district to fund media services and
24 educational services provided through the area education
25 agency.

26 A school district may increase its combined district cost
27 for the budget year to the extent that an excess tax levy is
28 authorized by the school budget review committee.

29 Sec. 7. Section 257.11, subsection 3, Code Supplement
30 1989, is amended to read as follows:

31 3. WHOLE GRADE SHARING. For the budget years beginning
32 July 1, 1991, and July 1, 1992, in districts that have
33 executed whole grade sharing agreements under sections 282.10
34 through 282.12, the school budget review committee shall
35 assign ~~an additional~~ a weighting equal to one plus an

1 additional portion of one times the percent of the pupil's
2 school day in which a pupil attends classes in another
3 district or an area school, attends classes taught by a
4 teacher who is employed jointly under section 280.15, or
5 attends classes taught by a teacher who is employed by another
6 district. The assignment of additional weighting to a school
7 district shall continue for a period of five years. If the
8 school district reorganizes during that five-year period, the
9 assignment of the additional weighting shall be transferred to
10 the reorganized district until the expiration of the five-year
11 period. If a school district was receiving additional
12 weighting for whole grade sharing under section 442.39,
13 subsection 2, Code 1989, the district shall continue to be
14 assigned additional weighting for whole grade sharing by the
15 school budget review committee under this subsection so that
16 the district is assigned the additional weighting for whole
17 grade sharing for a total period of five years.

18 Sec. 8. Section 257.14, unnumbered paragraph 2, Code
19 Supplement 1989, is amended to read as follows:

20 For the budget year beginning July 1, 1991 for a school
21 district, the department of management shall use the as the
22 district's base year regular program district cost the product
23 of the district's regular program district cost for-that
24 budget-year-of-a-school-district-calculated-pursuant-to
25 chapter-442-Code-1989-plus per pupil calculated as regular
26 program district cost per pupil would have been calculated for
27 the budget year under section 442.9, Code 1989, multiplied by
28 the district's budget enrollment as budget enrollment would
29 have been calculated under section 442.4, Code 1989, for the
30 budget year, and shall add to that amount the amount added to
31 district cost pursuant to section 442.21, Code 1989-as-the
32 district's-base-year-regular-program-district-cost.

33 Sec. 9. Section 257.29, unnumbered paragraphs 1 and 2,
34 Code Supplement 1989, are amended to read as follows:

35 An educational improvement program is established to

1 provide additional funding for school districts in which the
2 regular program district cost per pupil for a budget year is
3 one hundred ten percent of the regular program state cost per
4 pupil for the budget year and which have approved the use of
5 the instructional support program established in section
6 257.18. A board of directors that wishes to consider
7 participating in the educational improvement program shall
8 hold a hearing on the question of participation and the
9 maximum percent of the regular program district cost of the
10 district that will be used. The hearing shall be held in the
11 manner provided in section 257.18 for the instructional
12 support program. Following the hearing, the board may direct
13 the county commissioner of elections to submit the question to
14 the qualified electors of the school district at the next
15 following regular school election or a special election held
16 not later than the following February 1. If a majority of
17 those voting on the question favors participation in the
18 program, the board shall adopt a resolution to participate and
19 shall certify the results of the election to the department of
20 management and the district shall participate in the program.
21 If a majority of those voting on the question does not favor
22 participation, the district shall not participate in the
23 program.

24 The educational improvement program shall provide
25 additional revenues each fiscal year equal to a specified
26 percent of the regular program district cost of the district,
27 as determined by the board but not more than the maximum
28 percent authorized by the electors if an election has been
29 held. Certification of a district's participation for a
30 budget year, the method of funding, and the amount to be
31 raised shall be made to the department of management not later
32 than March 15 of the base year.

33 Sec. 10. 1989 Iowa Acts, chapter 135, section 95, is
34 amended to read as follows:

35 SEC. 95. Section 291.13, Code 1989, is amended to read as

1 follows:

2 291.13 GENERAL AND SCHOOLHOUSE FUNDS.

3 The money ~~collected-by~~ received from the regular and voter-
 4 approved physical plant and equipment levies ~~or,~~ the levy for
 5 public educational and recreational activities imposed under
 6 chapter 300, the proceeds of the sale of bonds authorized by
 7 law ~~or,~~ and the proceeds of a tax estimated and certified by
 8 the board for the purpose of paying interest and principal on
 9 lawful bonded indebtedness shall be deposited in the
 10 schoolhouse fund and, except when authorized by the electors,
 11 ~~may~~ shall be used only for the purpose for which originally
 12 authorized or certified. The money ~~collected-by~~ received from
 13 the district management levy shall be deposited in a subfund
 14 of the general fund of the school district. All other moneys
 15 received for any other purpose shall be deposited in the
 16 general fund of the school district. The treasurer shall keep
 17 a separate account for each fund, and shall not pay an order
 18 that fails to state the fund upon which it is drawn and the
 19 specific use to which it is to be applied.

20 Sec. 11. 1989 Iowa Acts, chapter 135, section 125, is
 21 amended to read as follows:

22 SEC. 125. If the electors of a school district have
 23 approved, prior to March 15, 1991, the schoolhouse tax levy to
 24 provide for the lease-purchase of school buildings or other
 25 authorized school district tax levy, the tax levy so approved
 26 shall continue in effect until the expiration of the period
 27 for which it was approved. For the duration of that
 28 schoolhouse tax levy, a school district may anticipate the
 29 collection of the tax by loan agreement as provided in section
 30 297.36.

5016

31 EXPLANATION

32 This bill makes technical changes to the school finance
 33 formula enacted during the 1989 legislative session. The new
 34 formula takes effect July 1, 1991. This bill provides that
 35 the budget adjustment is an adjustment to a school district's

1 regular program district cost, not to its budget. Since the
2 chapter does not define district cost, references to district
3 cost are changed to combined or regular program district cost
4 and the calculations involving regular program district cost
5 are changed to calculations relating to district cost per
6 pupil multiplied by budget enrollment for definition purposes.
7 An inaccurate addition of livestock tax credit moneys and
8 personal property tax replacement moneys to district cost is
9 deleted. The calculation for regular program district cost is
10 changed so that a district's budget enrollment is used instead
11 of its weighted enrollment although weighted enrollment is
12 used for calculating special education support services
13 district cost.

14 Uses of incorrect terms are corrected. The schoolhouse
15 fund will include proceeds from the recreational levy as is
16 stated in the chapter establishing the recreational levy.

17 The section relating to continuation of schoolhouse tax
18 levies approved prior to July 1, 1991, will state that the
19 school districts may anticipate the collection of the tax by
20 loan agreement.

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HOUSE FILE 2068
FISCAL NOTE

A fiscal note for HOUSE FILE 2068 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2068 is a bill which makes technical corrections to the School Finance Bill (House File 535) that was enacted last session.

Section One and Two make technical corrections in order to clarify terms used throughout the Bill.

Section Three makes technical corrections to the definition of the recalculated regular program state cost per pupil. The original intent was to assure that the amounts of the livestock and personal property tax credit were included in the calculation. The language being stricken deletes a duplicative reference to these credits, as they were included in the foundation level in legislation passed in 1988. In the current language of the Code of Iowa, the state cost per pupil includes a double entry of these credits.

Section Four makes technical corrections in order to clarify the definition of the regular program district cost per pupil.

Section Five makes technical corrections in the definition of the regular program cost per pupil, by striking an incorrect reference to the weighted enrollment and replacing it with the budget enrollment. In the current language of the Code of Iowa, the additional weightings for special education and other supplemental weightings are counted twice in the overall calculations.

Sections Six through Ten make technical corrections to clarify terms used throughout the Legislation.

Fiscal Effect

This bill has no FY 1991 fiscal effect.

The original FY 1992 fiscal estimates for the School Finance Bill were calculated using the definitions and assumptions that are included in this legislation. If this legislation is enacted the original estimate for the total cost of \$1.864 billion will still be accurate.

The duplicative reference to the livestock and personal property tax credits would cost approximately \$15 million above the original estimate for FY 1992. Of this amount, a portion would be paid for by the State, and a portion from property tax. The exact proportions cannot be determined at this time.

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The use of the term "weighted enrollment" in the calculations for the regular program district cost in the current law will result in additional costs above the originally anticipated fiscal effect. The total amount cannot be determined at this time, but of that amount, a portion would come from the State, and a portion from property taxes.

(LSB 7275hv, CRH)

FILED JANUARY 17, 1990

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 2068

H-5016

Amend House File 2068 as follows:

1. Page 6, by inserting after line 30 the following:

"Sec. 100. 1989 Iowa Acts, chapter 135, section 127, is amended to read as follows:

SEC. 127. Notwithstanding the election requirements of section 442.14, subsection 2, if the board of directors of a school district held an election prior to February 15, 1989, for approval to raise an additional enrichment amount ~~for commencing~~ with the school year beginning July 1, 1990 ~~1989~~, and the proposition failed, the board may resubmit the a proposition for approval to raise an additional enrichment amount commencing with the school year beginning July 1, 1990, at an election held not later than July 1, 1989.

Sec. 101.

Section 100 of this Act, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to May 5, 1989."

2. Title page, line 2, by inserting after the word "districts" the following: "and providing a retroactive effective date".

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

By OLLIE of Clinton
DAGGETT of Adams
NEUHAUSER of Johnson

H-5016 FILED JANUARY 18, 1990

Adopted 1/14 (p. 123)

HOUSE FILE 2068
BY COMMITTEE ON EDUCATION

(As Amended and Passed by the House January 19, 1990)

Passed House, Date 2-9-90 (p. 455) Passed Senate, Date 4/5/90 (p. 1481)
Vote: Ayes 48 Nays 0 Vote: Ayes 47 Nays 2
Approved April 24, 1990

A BILL FOR

1 An Act providing technical changes to the financing of education
2 programs of school districts and providing a retroactive
3 effective date.

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

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House Amendments _____

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1 Section 1. Section 257.2, subsection 3, Code Supplement
2 1989, is amended to read as follows:

3 3. "Budget adjustment" ~~is~~ means an adjustment to the
4 regular program budget district cost of a school district for
5 school districts in which the regular program budget district
6 cost for a year would be less than ~~its~~ the regular program
7 budget district cost for the previous year.

8 Sec. 2. Section 257.7, subsection 1, Code Supplement 1989,
9 is amended to read as follows:

10 1. BUDGETS. School districts are subject to chapter 24.
11 The authorized expenditures of a school district during a base
12 year shall not exceed the lesser of the budget for that year
13 certified under section 24.17 plus any allowable amendments
14 permitted in this section, or the authorized budget, which is
15 the sum of the combined district cost for that year, the
16 actual miscellaneous income received for that year, and the
17 actual unspent balance from the preceding year.

18 Sec. 3. Section 257.9, subsection 1, unnumbered paragraph
19 1, and paragraphs a and b, Code Supplement 1989, are amended
20 to read as follows:

21 REGULAR PROGRAM STATE COST PER PUPIL FOR 1991-1992. For
22 the budget year beginning July 1, 1991, for the regular
23 program state cost per pupil, the department of management
24 shall add together ~~the-state-total-of-the-district-costs-of~~
25 ~~all-school-districts~~ the sum of the products of each
26 district's regular program district cost per pupil for the
27 base year, as regular program district cost is defined in per
28 pupil would have been calculated under section 442.9, Code
29 1989, multiplied by its budget enrollment as budget enrollment
30 would have been calculated under section 442.4, Code 1989, for
31 the base year, plus the total sum of the amounts added to the
32 district cost of school districts pursuant to section 442.21,
33 Code 1989, ~~plus the amount included in the districts' budgets~~
34 ~~in the state for the fiscal year beginning July 1, 1986, for~~
35 ~~the additional portion of the livestock tax credit pursuant to~~

1 ~~section 442.27, subsection 27, as it appeared in the 1987 Code~~
2 ~~and plus the difference between the following amounts:~~

3 ~~a. The general allocation of the school district as~~
4 ~~determined under section 405A.27, Code 1989.~~

5 ~~b. The foundation property tax rate multiplied by the~~
6 ~~total actual value of all personal property assessed for~~
7 ~~valuation in the school district as of January 1, 1973,~~
8 ~~excluding livestock.~~

9 Sec. 4. Section 257.10, subsection 1, Code Supplement
10 1989, is amended to read as follows:

11 1. REGULAR PROGRAM DISTRICT COST PER PUPIL FOR 1991-1992.
12 For the budget year beginning July 1, 1991, in order to
13 determine the regular program district cost per pupil for a
14 district, the department of management shall divide the
15 product of the regular program district cost per pupil of the
16 district for the base year, as defined in regular program
17 district cost per pupil would have been calculated under
18 section 442.9, Code 1989, multiplied by its budget enrollment
19 for the base year as budget enrollment would have been
20 calculated under section 442.4, Code 1989, plus the amount
21 added to district cost pursuant to section 442.21, Code 1989,
22 for each school district, by the budget enrollment of the
23 school district for the budget year beginning July 1, 1990,
24 calculated under section 257.6, subsection 4, as if section
25 257.6, subsection 4, had been in effect for that budget year.
26 The regular program district cost per pupil for the budget
27 year beginning July 1, 1991, is the amount calculated by the
28 department of management under this subsection plus the
29 allowable growth amount calculated for regular program state
30 cost per pupil, except that if the regular program district
31 cost per pupil for the budget year calculated under this
32 subsection in any school district exceeds one hundred ten
33 percent of the regular program state cost per pupil for the
34 budget year, the department of management shall reduce the
35 regular program district cost per pupil of that district for

1 the budget year to an amount equal to one hundred ten percent
2 of the regular program state cost per pupil for the budget
3 year, and if the regular program district cost per pupil for
4 the budget year calculated under this subsection in any school
5 district is less than the regular program state cost per pupil
6 for the budget year, the department of management shall
7 increase the regular program district cost per pupil ~~shall be~~
8 increased of that district to an amount equal to the regular
9 program state cost per pupil for the budget year.

10 Sec. 5. Section 257.10, subsection 6, Code Supplement
11 1989, is amended to read as follows:

12 6. REGULAR PROGRAM DISTRICT COST. Regular program
13 district cost for a school district for a budget year is equal
14 to the regular program district cost per pupil for the budget
15 year multiplied by the weighted budget enrollment for the
16 budget year.

17 Sec. 6. Section 257.10, subsection 8, Code Supplement
18 1989, is amended to read as follows:

19 8. COMBINED DISTRICT COST. Combined district cost is the
20 sum of the regular program district cost per pupil multiplied
21 by the weighted enrollment and the special education support
22 services district cost, plus the additional district cost
23 allocated to the district to fund media services and
24 educational services provided through the area education
25 agency.

26 A school district may increase its combined district cost
27 for the budget year to the extent that an excess tax levy is
28 authorized by the school budget review committee.

29 Sec. 7. Section 257.11, subsection 3, Code Supplement
30 1989, is amended to read as follows:

31 3. WHOLE GRADE SHARING. For the budget years beginning
32 July 1, 1991, and July 1, 1992, in districts that have
33 executed whole grade sharing agreements under sections 282.10
34 through 282.12, the school budget review committee shall
35 assign ~~an additional~~ a weighting equal to one plus an

1 additional portion of one times the percent of the pupil's
2 school day in which a pupil attends classes in another
3 district or an area school, attends classes taught by a
4 teacher who is employed jointly under section 280.15, or
5 attends classes taught by a teacher who is employed by another
6 district. The assignment of additional weighting to a school
7 district shall continue for a period of five years. If the
8 school district reorganizes during that five-year period, the
9 assignment of the additional weighting shall be transferred to
10 the reorganized district until the expiration of the five-year
11 period. If a school district was receiving additional
12 weighting for whole grade sharing under section 442.39,
13 subsection 2, Code 1989, the district shall continue to be
14 assigned additional weighting for whole grade sharing by the
15 school budget review committee under this subsection so that
16 the district is assigned the additional weighting for whole
17 grade sharing for a total period of five years.

18 Sec. 8. Section 257.14, unnumbered paragraph 2, Code
19 Supplement 1989, is amended to read as follows:

20 For the budget year beginning July 1, 1991 for a school
21 district, the department of management shall use the as the
22 district's base year regular program district cost the product
23 of the district's regular program district cost for-that
24 budget-year-of-a-school-district-calculated-pursuant-to
25 chapter-4427-Code-19897-plus per pupil calculated as regular
26 program district cost per pupil would have been calculated for
27 the budget year under section 442.9, Code 1989, multiplied by
28 the district's budget enrollment as budget enrollment would
29 have been calculated under section 442.4, Code 1989, for the
30 budget year, and shall add to that amount the amount added to
31 district cost pursuant to section 442.21, Code 19897-as-the
32 district's-base-year-regular-program-district-cost.

33 Sec. 9. Section 257.29, unnumbered paragraphs 1 and 2,
34 Code Supplement 1989, are amended to read as follows:

35 An educational improvement program is established to

1 provide additional funding for school districts in which the
2 regular program district cost per pupil for a budget year is
3 one hundred ten percent of the regular program state cost per
4 pupil for the budget year and which have approved the use of
5 the instructional support program established in section
6 257.18. A board of directors that wishes to consider
7 participating in the educational improvement program shall
8 hold a hearing on the question of participation and the
9 maximum percent of the regular program district cost of the
10 district that will be used. The hearing shall be held in the
11 manner provided in section 257.18 for the instructional
12 support program. Following the hearing, the board may direct
13 the county commissioner of elections to submit the question to
14 the qualified electors of the school district at the next
15 following regular school election or a special election held
16 not later than the following February 1. If a majority of
17 those voting on the question favors participation in the
18 program, the board shall adopt a resolution to participate and
19 shall certify the results of the election to the department of
20 management and the district shall participate in the program.
21 If a majority of those voting on the question does not favor
22 participation, the district shall not participate in the
23 program.

24 The educational improvement program shall provide
25 additional revenues each fiscal year equal to a specified
26 percent of the regular program district cost of the district,
27 as determined by the board but not more than the maximum
28 percent authorized by the electors if an election has been
29 held. Certification of a district's participation for a
30 budget year, the method of funding, and the amount to be
31 raised shall be made to the department of management not later
32 than March 15 of the base year.

33 ^{s. 507} Sec. 10. 1989 Iowa Acts, chapter 135, section 95, is
34 amended to read as follows:

35 SEC. 95. Section 291.13, Code 1989, is amended to read as

1 follows:

2 291.13 GENERAL AND SCHOOLHOUSE FUNDS.

3 The money ~~collected-by~~ received from the regular and voter-
4 approved physical plant and equipment levies ~~or,~~ the levy for
5 public educational and recreational activities imposed under
6 chapter 300, the proceeds of the sale of bonds authorized by
7 law ~~or,~~ and the proceeds of a tax estimated and certified by
8 the board for the purpose of paying interest and principal on
9 lawful bonded indebtedness shall be deposited in the
10 schoolhouse fund and, except when authorized by the electors,
11 ~~may~~ shall be used only for the purpose for which originally
12 authorized or certified. The money ~~collected-by~~ received from
13 the district management levy shall be deposited in a subfund
14 of the general fund of the school district. All other moneys
15 received for any other purpose shall be deposited in the
16 general fund of the school district. The treasurer shall keep
17 a separate account for each fund, and shall not pay an order
18 that fails to state the fund upon which it is drawn and the
19 specific use to which it is to be applied.

20 Sec. 11. 1989 Iowa Acts, chapter 135, section 125, is
21 amended to read as follows:

22 SEC. 125. If the electors of a school district have
23 approved, prior to March 15, 1991, the schoolhouse tax levy to
24 provide for the lease-purchase of school buildings or other
25 authorized school district tax levy, the tax levy so approved
26 shall continue in effect until the expiration of the period
27 for which it was approved. For the duration of that
28 schoolhouse tax levy, a school district may anticipate the
29 collection of the tax by loan agreement as provided in section
30 297.36.

31 Sec. 12. 1989 Iowa Acts, chapter 135, section 127, is
32 amended to read as follows:

33 SEC. 127. Notwithstanding the election requirements of
34 section 442.14, subsection 2, if the board of directors of a
35 school district held an election prior to February 15, 1989,

1 for approval to raise an additional enrichment amount for
2 commencing with the school year beginning July 1, 1990 1989,
3 and the proposition failed, the board may resubmit the a
4 proposition for approval to raise an additional enrichment
5 amount commencing with the school year beginning July 1, 1990,
6 at an election held not later than July 1, 1989.

7 Sec. 13.

8 Section 12 of this Act, being deemed of immediate
9 importance, takes effect upon enactment and is retroactively
10 applicable to May 5, 1989.

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SENATE AMENDMENT TO HOUSE FILE 2068

H-5130

1 Amend House File 2068, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 5, by inserting after line 32, the
4 following:

5 "Sec. ____ . Section 280.4, subsection 4, Code
6 Supplement 1989, is amended to read as follows:

7 4. In order to provide funds for the excess costs
8 of instruction of non-English-speaking students above
9 the costs of instruction of pupils in a regular
10 curriculum, students identified as non-English-
11 speaking are assigned an additional weighting that
12 shall be included in the weighted enrollment of the
13 school district of residence for a period not
14 exceeding ~~three~~ five years. However, the school
15 budget review committee may grant supplemental aid or
16 modified allowable growth, to a school district to
17 continue funding a program for students after the
18 expiration of the ~~three-year~~ five-year period. The
19 school budget review committee shall calculate the
20 additional amount for the weighting to the nearest
21 one-hundredth of one so that, to the extent possible,
22 the moneys generated by the weighting will be
23 equivalent to the moneys generated by the two-tenths
24 weighting provided prior to July 1, 1991."

25 2. By numbering and renumbering sections as
26 necessary.

RECEIVED FROM THE SENATE

H-5130 FILED FEBRUARY 13, 1990

House referred to committee 3/29 (p. 1586)

Senate receded 4/3 (p. 1481)

**HOUSE FILE 2068
AMENDMENT S-5076 TO HOUSE FILE 2068
FISCAL NOTE**

A fiscal note for Amendment S-5076 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Amendment S-5076 changes House File 2068 by increasing the number of years that the non-English weighting is provided by extending it from three to five years.

Assumptions Used:

- The number of students receiving the weighting will remain constant at 3,020.
- The population served is changing. Every year, 33% of the students, or 1,007 will enter the system, and 33% will leave, because of current three year limit on the weighting.
- Allowable growth is estimated at 5%.
- In FY 1991, the number of students eligible will increase by 33% over the number eligible under current law. This represents those students who would not have received the weighting because of the three year limit, and under the proposed law, FY 1991 will be their fourth year, so they will still be eligible.
- In FY 1992, the number of students eligible will increase by 66% over the number eligible under current law.
- Of the new costs, 83% of it will be state aid in FY 1991, and 83.5% will be attributable to state aid in FY 1992.

Fiscal Effect:

	(dollars in thousands)					
	Fiscal Year 1991			Fiscal Year 1992		
	Current Law	Proposed Law	Increase (Decrease)	Current Law	Proposed Law	Increase (Decrease)
Total	\$ 1,798	\$ 2,398	\$ 600	\$ 1,889	\$ 3,147	\$ 1,258
State	1,492	1,990	498	1,577	2,628	1,051
Prop. Tax	306	408	102	312	519	207

(LSB 7275hv.2, CRH)

ED FEBRUARY 21, 1990

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 2068

S-5076

1 Amend House File 2068, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 5, by inserting after line 32, the
4 following:

5 "Sec. ____ . Section 280.4, subsection 4, Code
6 Supplement 1989, is amended to read as follows:

7 4. In order to provide funds for the excess costs
8 of instruction of non-English-speaking students above
9 the costs of instruction of pupils in a regular
10 curriculum, students identified as non-English-
11 speaking are assigned an additional weighting that
12 shall be included in the weighted enrollment of the
13 school district of residence for a period not
14 exceeding three five years. However, the school
15 budget review committee may grant supplemental aid or
16 modified allowable growth, to a school district to
17 continue funding a program for students after the
18 expiration of the three-year five-year period. The
19 school budget review committee shall calculate the
20 additional amount for the weighting to the nearest
21 one-hundredth of one so that, to the extent possible,
22 the moneys generated by the weighting will be
23 equivalent to the moneys generated by the two-tenths
24 weighting provided prior to July 1, 1991."

25 2. By numbering and renumbering sections as
26 necessary.

By JACK RIFE

S-5076 FILED FEBRUARY 9, 1990

ADOPTED *(initials)*

HOUSE FILE 2068

H-5772

1 Amend the Senate amendment, H-5130, to House File
2 2068, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by inserting after line 4 the fol-
5 lowing:

6 "Sec. ____ . Section 257.31, subsection 5, paragraph
7 j, Code Supplement 1989, is amended to read as
8 follows:

9 j. Unusual need to continue providing a program or
10 other special assistance to non-English speaking
11 pupils after the expiration of the three-year period
12 specified in section 280.4."

13 2. Page 1, line 14, by striking the words "three
14 five years" and inserting the following: "three
15 years, except that for school districts that have
16 certified enrollments of fewer than ten thousand
17 students and also have identified one percent or more
18 of their students as non-English speaking, the period
19 for which the additional weighting is included for a
20 student is extended to five years".

21 3. Page 1, line 18, by striking the words "five-
22 year period" and inserting the following: "period
23 specified in this subsection".

By SHEARER of Louisa

H-5772 FILED MARCH 20, 1990

w/d 3/29 (p. 1586)

**HOUSE FILE 2068
AMENDMENT H-5772 TO H-5130 TO HOUSE FILE 2068
FISCAL NOTE**

A fiscal note for Amendment H-5772 to amendment H-5130 to House File 2068 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Amendment H-5772 to amendment H-5130 to House File 2068 reduces the number of districts which are eligible to receive extended five year non-English weightings by limiting it to only those districts with less than 10,000 students, and more than one percent of its enrollment that is non-English speaking.

Assumptions Used:

- The number of students which will be eligible for the extended weighting will remain constant at 1,041.
- The population served is changing. Every year, one-third of the students enter the system and one-third leave, due to the current three year limit of the weightings.
- In FY 1991, the number of students receiving weightings will increase to 3,367. This will increase to 3,714 for FY 1992, and remain relatively constant after that.
- The FY 1991 state cost per pupil is \$2,978. The FY 1992 state cost per pupil is \$3,127.
- Of the new costs, 83% of it will be state aid in FY 1991, and 83.5% will be state aid in FY 1992.

Fiscal Effect:

This will reduce the state cost of H-5130 from \$498,000 to \$207,000 for FY 1991, and from \$1,051,000 to \$362,000 for FY 1992. The proposed a cost is compared to current law below:

(dollars in thousands)

	Fiscal Year 1991			Fiscal Year 1992		
	Current Law	Proposed Law	Increase (Decrease)	Current Law	Proposed Law	Increase (Decrease)
Total	\$ 1,798	\$ 2,005	\$ 207	\$ 1,889	\$ 2,323	\$ 434
State	1,492	1,664	172	1,577	1,939	362
Prop. Tax	306	341	35	312	384	72

(LSB 7275hv.3, CRH)

HSB 506

EDUCATION

HOUSE FILE 2068

BY (PROPOSED COMMITTEE ON
EDUCATION BILL BY OLLIE)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act providing technical changes to the financing of education
2 programs of school districts.

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

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1 Section 1. Section 257.2, subsection 3, Code Supplement
2 1989, is amended to read as follows:

3 3. "Budget adjustment" ~~is~~ means an adjustment to the
4 regular program budget district cost of a school district for
5 school districts in which the regular program budget district
6 cost for a year would be less than ~~its~~ the regular program
7 budget district cost for the previous year.

8 Sec. 2. Section 257.7, subsection 1, Code Supplement 1989,
9 is amended to read as follows:

10 1. BUDGETS. School districts are subject to chapter 24.
11 The authorized expenditures of a school district during a base
12 year shall not exceed the lesser of the budget for that year
13 certified under section 24.17 plus any allowable amendments
14 permitted in this section, or the authorized budget, which is
15 the sum of the combined district cost for that year, the
16 actual miscellaneous income received for that year, and the
17 actual unspent balance from the preceding year.

18 Sec. 3. Section 257.9, subsection 1, unnumbered paragraph
19 1, and paragraphs a and b, Code Supplement 1989, are amended
20 to read as follows:

21 REGULAR PROGRAM STATE COST PER PUPIL FOR 1991-1992. For
22 the budget year beginning July 1, 1991, for the regular
23 program state cost per pupil, the department of management
24 shall add together ~~the-state-total-of-the-district-costs-of~~
25 ~~all-school-districts~~ the sum of the products of each
26 district's regular program district cost per pupil for the
27 base year, as regular program district cost is-defined-in per
28 pupil would have been calculated under section 442.9, Code
29 1989, multiplied by its budget enrollment as budget enrollment
30 would have been calculated under section 442.4, Code 1989, for
31 the base year, plus the total sum of the amounts added to the
32 district cost of school districts pursuant to section 442.21,
33 Code 1989-~~plus-the-amount-included-in-the-districts'-budgets~~
34 ~~in-the-state-for-the-fiscal-year-beginning-July-1-1986-for~~
35 ~~the-additional-portion-of-the-livestock-tax-credit-pursuant-to~~

1 section-442.27-subsection-27-as-it-appeared-in-the-1987-Code
2 and-plus-the-difference-between-the-following-amounts:

3 a.--The-general-allocation-of-the-school-district-as
4 determined-under-section-485A.27,-Code-1989-

5 b.--The-foundation-property-tax-rate-multiplied-by-the
6 total-actual-value-of-all-personal-property-assessed-for
7 valuation-in-the-school-district-as-of-January-17-19737
8 excluding-livestock.

9 Sec. 4. Section 257.10, subsection 1, Code Supplement
10 1989, is amended to read as follows:

11 1. REGULAR PROGRAM DISTRICT COST PER PUPIL FOR 1991-1992.
12 For the budget year beginning July 1, 1991, in order to
13 determine the regular program district cost per pupil for a
14 district, the department of management shall divide the
15 product of the regular program district cost per pupil of the
16 district for the base year, as defined-in regular program
17 district cost per pupil would have been calculated under
18 section 442.9, Code 1989, multiplied by its budget enrollment
19 for the base year as budget enrollment would have been
20 calculated under section 442.4, Code 1989, plus the amount
21 added to district cost pursuant to section 442.21, Code 1989,
22 for each school district, by the budget enrollment of the
23 school district for the budget year beginning July 1, 1990,
24 calculated under section 257.6, subsection 4, as if section
25 257.6, subsection 4, had been in effect for that budget year.
26 The regular program district cost per pupil for the budget
27 year beginning July 1, 1991, is the amount calculated by the
28 department of management under this subsection plus the
29 allowable growth amount calculated for regular program state
30 cost per pupil, except that if the regular program district
31 cost per pupil for the budget year calculated under this
32 subsection in any school district exceeds one hundred ten
33 percent of the regular program state cost per pupil for the
34 budget year, the department of management shall reduce the
35 regular program district cost per pupil of that district for

1 the budget year to an amount equal to one hundred ten percent
2 of the regular program state cost per pupil for the budget
3 year, and if the regular program district cost per pupil for
4 the budget year calculated under this subsection in any school
5 district is less than the regular program state cost per pupil
6 for the budget year, the department of management shall
7 increase the regular program district cost per pupil shall-be
8 increased of that district to an amount equal to the regular
9 program state cost per pupil for the budget year.

10 Sec. 5. Section 257.10, subsection 6, Code Supplement
11 1989, is amended to read as follows:

12 6. REGULAR PROGRAM DISTRICT COST. Regular program
13 district cost for a school district for a budget year is equal
14 to the regular program district cost per pupil for the budget
15 year multiplied by the weighted budget enrollment for the
16 budget year.

17 Sec. 6. Section 257.10, subsection 8, Code Supplement
18 1989, is amended to read as follows:

19 8. COMBINED DISTRICT COST. Combined district cost is the
20 sum of the regular program district cost per pupil multiplied
21 by the weighted enrollment and the special education support
22 services district cost, plus the additional district cost
23 allocated to the district to fund media services and
24 educational services provided through the area education
25 agency.

26 A school district may increase its combined district cost
27 for the budget year to the extent that an excess tax levy is
28 authorized by the school budget review committee.

29 Sec. 7. Section 257.11, subsection 3, Code Supplement
30 1989, is amended to read as follows:

31 3. WHOLE GRADE SHARING. For the budget years beginning
32 July 1, 1991, and July 1, 1992, in districts that have
33 executed whole grade sharing agreements under sections 282.10
34 through 282.12, the school budget review committee shall
35 assign ~~an-additional~~ a weighting equal to one plus an

1 additional portion of one times the percent of the pupil's
2 school day in which a pupil attends classes in another
3 district or an area school, attends classes taught by a
4 teacher who is employed jointly under section 280.15, or
5 attends classes taught by a teacher who is employed by another
6 district. The assignment of additional weighting to a school
7 district shall continue for a period of five years. If the
8 school district reorganizes during that five-year period, the
9 assignment of the additional weighting shall be transferred to
10 the reorganized district until the expiration of the five-year
11 period. If a school district was receiving additional
12 weighting for whole grade sharing under section 442.39,
13 subsection 2, Code 1989, the district shall continue to be
14 assigned additional weighting for whole grade sharing by the
15 school budget review committee under this subsection so that
16 the district is assigned the additional weighting for whole
17 grade sharing for a total period of five years.

18 Sec. 8. Section 257.14, unnumbered paragraph 2, Code
19 Supplement 1989, is amended to read as follows:

20 For the budget year beginning July 1, 1991 for a school
21 district, the department of management shall use the as the
22 district's base year regular program district cost the product
23 of the district's regular program district cost for-that
24 budget-year-of-a-school-district-calculated-pursuant-to
25 chapter-442,-Code-1989-plus per pupil calculated as regular
26 program district cost per pupil would have been calculated for
27 the budget year under section 442.9, Code 1989, multiplied by
28 the district's budget enrollment as budget enrollment would
29 have been calculated under section 442.4, Code 1989, for the
30 budget year, and shall add to that amount the amount added to
31 district cost pursuant to section 442.21, Code 1989-as-the
32 district's-base-year-regular-program-district-cost.

33 Sec. 9. Section 257.29, unnumbered paragraphs 1 and 2,
34 Code Supplement 1989, are amended to read as follows:

35 An educational improvement program is established to

1 provide additional funding for school districts in which the
2 regular program district cost per pupil for a budget year is
3 one hundred ten percent of the regular program state cost per
4 pupil for the budget year and which have approved the use of
5 the instructional support program established in section
6 257.18. A board of directors that wishes to consider
7 participating in the educational improvement program shall
8 hold a hearing on the question of participation and the
9 maximum percent of the regular program district cost of the
10 district that will be used. The hearing shall be held in the
11 manner provided in section 257.18 for the instructional
12 support program. Following the hearing, the board may direct
13 the county commissioner of elections to submit the question to
14 the qualified electors of the school district at the next
15 following regular school election or a special election held
16 not later than the following February 1. If a majority of
17 those voting on the question favors participation in the
18 program, the board shall adopt a resolution to participate and
19 shall certify the results of the election to the department of
20 management and the district shall participate in the program.
21 If a majority of those voting on the question does not favor
22 participation, the district shall not participate in the
23 program.

24 The educational improvement program shall provide
25 additional revenues each fiscal year equal to a specified
26 percent of the regular program district cost of the district,
27 as determined by the board but not more than the maximum
28 percent authorized by the electors if an election has been
29 held. Certification of a district's participation for a
30 budget year, the method of funding, and the amount to be
31 raised shall be made to the department of management not later
32 than March 15 of the base year.

33 Sec. 10. 1989 Iowa Acts, chapter 135, section 95, is
34 amended to read as follows:

35 SEC. 95. Section 291.13, Code 1989, is amended to read as

1 follows:

2 291.13 GENERAL AND SCHOOLHOUSE FUNDS.

3 The money ~~collected-by~~ received from the regular and voter-
4 approved physical plant and equipment levies ~~or,~~ the levy for
5 public educational and recreational activities imposed under
6 chapter 300, the proceeds of the sale of bonds authorized by
7 law ~~or,~~ and the proceeds of a tax estimated and certified by
8 the board for the purpose of paying interest and principal on
9 lawful bonded indebtedness shall be deposited in the
10 schoolhouse fund and, except when authorized by the electors,
11 may shall be used only for the purpose for which originally
12 authorized or certified. The money ~~collected~~ received from by
13 the district management levy shall be deposited in a subfund
14 of the general fund of the school district. All other moneys
15 received for any other purpose shall be deposited in the
16 general fund of the school district. The treasurer shall keep
17 a separate account for each fund, and shall not pay an order
18 that fails to state the fund upon which it is drawn and the
19 specific use to which it is to be applied.

20 Sec. 11. 1989 Iowa Acts, chapter 135, section 125, is
21 amended to read as follows:

22 SEC. 125. If the electors of a school district have
23 approved, prior to March 15, 1991, the schoolhouse tax levy to
24 provide for the lease-purchase of school buildings or other
25 authorized school district tax levy, the tax levy so approved
26 shall continue in effect until the expiration of the period
27 for which it was approved. For the duration of that
28 schoolhouse tax levy, a school district may anticipate the
29 collection of the tax by loan agreement as provided in section
30 297.36.

31

EXPLANATION

32 This bill makes technical changes to the school finance
33 formula enacted during the 1989 legislative session. The new
34 formula takes effect July 1, 1991. This bill provides that
35 the budget adjustment is an adjustment to a school district's

1 regular program district cost, not to its budget. Since the
2 chapter does not define district cost, references to district
3 cost are changed to combined or regular program district cost
4 and the calculations involving regular program district cost
5 are changed to calculations relating to district cost per
6 pupil multiplied by budget enrollment for definition purposes.
7 An inaccurate addition of livestock tax credit moneys and
8 personal property tax replacement moneys to district cost is
9 deleted. The calculation for regular program district cost is
10 changed so that a district's budget enrollment is used instead
11 of its weighted enrollment although weighted enrollment is
12 used for calculating special education support services
13 district cost.

14 Uses of incorrect terms are corrected. The schoolhouse
15 fund will include proceeds from the recreational levy as is
16 stated in the chapter establishing the recreational levy.

17 The section relating to continuation of schoolhouse tax
18 levies approved prior to July 1, 1991, will state that the
19 school districts may anticipate the collection of the tax by
20 loan agreement.

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HOUSE FILE 2068

AN ACT

PROVIDING TECHNICAL CHANGES TO THE FINANCING OF EDUCATION PROGRAMS OF SCHOOL DISTRICTS AND PROVIDING A RETROACTIVE EFFECTIVE DATE.

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

Section 1. Section 257.2, subsection 3, Code Supplement 1989, is amended to read as follows:

3. "Budget adjustment" ~~is~~ means an adjustment to the regular program budget district cost of a school district for school districts in which the regular program budget district cost for a year would be less than ~~its~~ the regular program budget district cost for the previous year.

Sec. 2. Section 257.7, subsection 1, Code Supplement 1989, is amended to read as follows:

1. BUDGETS. School districts are subject to chapter 24. The authorized expenditures of a school district during a base year shall not exceed the lesser of the budget for that year certified under section 24.17 plus any allowable amendments permitted in this section, or the authorized budget, which is the sum of the combined district cost for that year, the actual miscellaneous income received for that year, and the actual unspent balance from the preceding year.

Sec. 3. Section 257.9, subsection 1, unnumbered paragraph 1, and paragraphs a and b, Code Supplement 1989, are amended to read as follows:

REGULAR PROGRAM STATE COST PER PUPIL FOR 1991-1992. For the budget year beginning July 1, 1991, for the regular program state cost per pupil, the department of management shall add together ~~the state total of the district costs of all school districts~~ the sum of the products of each district's regular program district cost per pupil for the base year, as regular program district cost is defined in per

pupil would have been calculated under section 442.9, Code 1989, multiplied by its budget enrollment as budget enrollment would have been calculated under section 442.4, Code 1989, for the base year, plus the total sum of the amounts added to the district cost of school districts pursuant to section 442.21, Code 1989, plus the amount included in the districts' budgets in the state for the fiscal year beginning July 1, 1986, for the additional portion of the livestock tax credit pursuant to section 442.27 subsection 27 as it appeared in the 1987 Code and plus the difference between the following amounts:

a. ~~The general allocation of the school district as determined under section 405A.27 Code 1989.~~

b. ~~The foundation property tax rate multiplied by the total actual value of all personal property assessed for valuation in the school district as of January 1, 1973, excluding livestock.~~

Sec. 4. Section 257.10, subsection 1, Code Supplement 1989, is amended to read as follows:

1. REGULAR PROGRAM DISTRICT COST PER PUPIL FOR 1991-1992. For the budget year beginning July 1, 1991, in order to determine the regular program district cost per pupil for a district, the department of management shall divide the product of the regular program district cost per pupil of the district for the base year, as defined in regular program district cost per pupil would have been calculated under section 442.9, Code 1989, multiplied by its budget enrollment for the base year as budget enrollment would have been calculated under section 442.4, Code 1989, plus the amount added to district cost pursuant to section 442.21, Code 1989, for each school district, by the budget enrollment of the school district for the budget year beginning July 1, 1990, calculated under section 257.6, subsection 4, as if section 257.6, subsection 4, had been in effect for that budget year. The regular program district cost per pupil for the budget year beginning July 1, 1991, is the amount calculated by the department of management under this subsection plus the allowable growth amount calculated for regular program state

cost per pupil, except that if the regular program district cost per pupil for the budget year calculated under this subsection in any school district exceeds one hundred ten percent of the regular program state cost per pupil for the budget year, the department of management shall reduce the regular program district cost per pupil of that district for the budget year to an amount equal to one hundred ten percent of the regular program state cost per pupil for the budget year, and if the regular program district cost per pupil for the budget year calculated under this subsection in any school district is less than the regular program state cost per pupil for the budget year, the department of management shall increase the regular program district cost per pupil shall be increased of that district to an amount equal to the regular program state cost per pupil for the budget year.

Sec. 5. Section 257.10, subsection 6, Code Supplement 1989, is amended to read as follows:

6. REGULAR PROGRAM DISTRICT COST. Regular program district cost for a school district for a budget year is equal to the regular program district cost per pupil for the budget year multiplied by the weighted budget enrollment for the budget year.

Sec. 6. Section 257.10, subsection 8, Code Supplement 1989, is amended to read as follows:

8. COMBINED DISTRICT COST. Combined district cost is the sum of the regular program district cost per pupil multiplied by the weighted enrollment and the special education support services district cost, plus the additional district cost allocated to the district to fund media services and educational services provided through the area education agency.

A school district may increase its combined district cost for the budget year to the extent that an excess tax levy is authorized by the school budget review committee.

Sec. 7. Section 257.11, subsection 3, Code Supplement 1989, is amended to read as follows:

3. WHOLE GRADE SHARING. For the budget years beginning July 1, 1991, and July 1, 1992, in districts that have executed whole grade sharing agreements under sections 282.10 through 282.12, the school budget review committee shall assign an ~~additional~~ a weighting equal to one plus an additional portion of one times the percent of the pupil's school day in which a pupil attends classes in another district or an area school, attends classes taught by a teacher who is employed jointly under section 280.15, or attends classes taught by a teacher who is employed by another district. The assignment of additional weighting to a school district shall continue for a period of five years. If the school district reorganizes during that five-year period, the assignment of the additional weighting shall be transferred to the reorganized district until the expiration of the five-year period. If a school district was receiving additional weighting for whole grade sharing under section 442.39, subsection 2, Code 1989, the district shall continue to be assigned additional weighting for whole grade sharing by the school budget review committee under this subsection so that the district is assigned the additional weighting for whole grade sharing for a total period of five years.

Sec. 8. Section 257.14, unnumbered paragraph 2, Code Supplement 1989, is amended to read as follows:

For the budget year beginning July 1, 1991 for a school district, the department of management shall use the as the district's base year regular program district cost the product of the district's regular program district cost for that budget year of a school district calculated pursuant to chapter 442.7, Code 1989, plus per pupil calculated as regular program district cost per pupil would have been calculated for the budget year under section 442.9, Code 1989, multiplied by the district's budget enrollment as budget enrollment would have been calculated under section 442.4, Code 1989, for the budget year, and shall add to that amount the amount added to district cost pursuant to section 442.21, Code 1989, as the district's base year regular program district cost.

Sec. 9. Section 257.29, unnumbered paragraphs 1 and 2, Code Supplement 1989, are amended to read as follows:

An educational improvement program is established to provide additional funding for school districts in which the regular program district cost per pupil for a budget year is one hundred ten percent of the regular program state cost per pupil for the budget year and which have approved the use of the instructional support program established in section 257.18. A board of directors that wishes to consider participating in the educational improvement program shall hold a hearing on the question of participation and the maximum percent of the regular program district cost of the district that will be used. The hearing shall be held in the manner provided in section 257.18 for the instructional support program. Following the hearing, the board may direct the county commissioner of elections to submit the question to the qualified electors of the school district at the next following regular school election or a special election held not later than the following February 1. If a majority of those voting on the question favors participation in the program, the board shall adopt a resolution to participate and shall certify the results of the election to the department of management and the district shall participate in the program. If a majority of those voting on the question does not favor participation, the district shall not participate in the program.

The educational improvement program shall provide additional revenues each fiscal year equal to a specified percent of the regular program district cost of the district, as determined by the board but not more than the maximum percent authorized by the electors if an election has been held. Certification of a district's participation for a budget year, the method of funding, and the amount to be raised shall be made to the department of management not later than March 15 of the base year.

Sec. 10. 1989 Iowa Acts, chapter 135, section 95, is amended to read as follows:

SEC. 95. Section 291.13, Code 1989, is amended to read as follows:

291.13 GENERAL AND SCHOOLHOUSE FUNDS.

The money ~~collected-by~~ received from the regular and voter-approved physical plant and equipment levies ~~or, the levy for public educational and recreational activities imposed under chapter 300,~~ the proceeds of the sale of bonds authorized by law ~~or,~~ and the proceeds of a tax estimated and certified by the board for the purpose of paying interest and principal on lawful bonded indebtedness shall be deposited in the schoolhouse fund and, except when authorized by the electors, ~~may~~ shall be used only for the purpose for which originally authorized or certified. The money ~~collected-by~~ received from the district management levy shall be deposited in a subfund of the general fund of the school district. All other moneys received for any other purpose shall be deposited in the general fund of the school district. The treasurer shall keep a separate account for each fund, and shall not pay an order that fails to state the fund upon which it is drawn and the specific use to which it is to be applied.

Sec. 11. 1989 Iowa Acts, chapter 135, section 125, is amended to read as follows:

SEC. 125. If the electors of a school district have approved, prior to March 15, 1991, the schoolhouse tax levy to provide for the lease-purchase of school buildings or other authorized school district tax levy, the tax levy so approved shall continue in effect until the expiration of the period for which it was approved. For the duration of that schoolhouse tax levy, a school district may anticipate the collection of the tax by loan agreement as provided in section 297.36.

Sec. 12. 1989 Iowa Acts, chapter 135, section 127, is amended to read as follows:

SEC. 127. Notwithstanding the election requirements of section 442.14, subsection 2, if the board of directors of a school district held an election prior to February 15, 1989, for approval to raise an additional enrichment amount for

commencing with the school year beginning July 1, 1990 1989,
and the proposition failed, the board may resubmit the a
proposition for approval to raise an additional enrichment
amount commencing with the school year beginning July 1, 1990,
at an election held not later than July 1, 1989.

Sec. 13.

Section 12 of this Act, being deemed of immediate
importance, takes effect upon enactment and is retroactively
applicable to May 5, 1989.

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 2068, Seventy-third General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved April 24, 1990

TERRY E. BRANSTAD
Governor