

See H.R. 3383 (3383) & D.C. Pass 4/11/91 (p. 177)

MAR 20 1991

Place On Calendar

HOUSE FILE 583

BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 244)

Passed House, Date 4/2/91 (p. 1017) Passed Senate, Date 4/24/91 (p. 1257)

Vote: Ayes 99 Nays 1 Vote: Ayes 47 Nays 1

Approved May 14, 1991

*Referred to a subcommittee by H.R. 3887
4/30/91 (p. 1914)
Chgs 98, 7, 10, 11*

A BILL FOR

3329 1 An Act relating to eligibility of school districts for the
2 reorganization incentives and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 583

1 Section 1. Section 257.3, subsection 2, Code 1991, is
2 amended by striking the subsection and inserting in lieu
3 thereof the following:

4 2. TAX FOR REORGANIZED AND DISSOLVED DISTRICTS.

5 Notwithstanding subsection 1, a reorganized school district
6 shall cause a foundation property tax of four dollars and
7 forty cents per thousand dollars of assessed valuation to be
8 levied on all taxable property which, in the year preceding a
9 reorganization, was within a school district affected by the
10 reorganization as defined in section 275.1, or in the year
11 preceding a dissolution was a part of a school district that
12 dissolved if the dissolution proposal has been approved by the
13 director of the department of education pursuant to section
14 275.55. In the year preceding the reorganization or
15 dissolution, the school district affected by the
16 reorganization or the school district that dissolved must have
17 had a certified enrollment of fewer than six hundred in order
18 for the four-dollar-and-forty-cent levy to apply. In
19 succeeding school years, the foundation property tax levy on
20 that portion shall be increased twenty cents per year until it
21 reaches the rate of five dollars and forty cents per thousand
22 dollars of assessed valuation.

23 For purposes of this section, a reorganized school district
24 is one which absorbed at least thirty percent of the
25 enrollment of the school district affected by a reorganization
26 or dissolved during a dissolution and in which action to bring
27 about a reorganization or dissolution was initiated by a vote
28 of the board of directors or jointly by the affected boards of
29 directors prior to November 30, 1990, and the reorganization
30 or dissolution takes effect on or after July 1, 1991, and on
31 or before July 1, 1993.

32 The reduced property tax rates of reorganized school
33 districts that met the requirements of section 442.2, Code
34 1991, prior to July 1, 1991, shall continue to increase as
35 provided in that section until they reach five dollars and

1 forty cents.

2 Sec. 2. Section 257.4, Code 1991, is amended by adding the
3 following new subsection:

4 NEW SUBSECTION. 1A. SUPPLEMENTAL AID. However, if the
5 rate of the additional property tax levy determined under
6 subsection 1 with the application of section 257.15 for a
7 budget year for a reorganized school district is higher than
8 the rate of additional property tax levy determined under
9 subsection 1 with the application of section 257.15 for the
10 year previous to the reorganization for a school district that
11 had a certified enrollment of less than six hundred and that
12 was within the school districts affected by the reorganization
13 as defined in section 275.1, the department of management
14 shall reduce the rate of the additional property tax levy in
15 the portion of the reorganized district where the new rate is
16 higher, to the rate that was levied in that portion of the
17 district during the year preceding the reorganization, for a
18 five-year period. The department of management shall include
19 in the state aid payments made to each reorganized school
20 district under section 256.16 during each of the first five
21 years of existence of the reorganized district as supplemental
22 aid, moneys equal to the reduction in property tax revenues
23 made under this subsection. For the budget year beginning
24 July 1, 1991, the base year calculation shall be made using
25 chapter 442, Code 1991.

26 For purposes of this section, a reorganized school district
27 is one in which action to bring about a reorganization was
28 initiated by a vote of the board of directors or jointly by
29 the affected boards of directors prior to November 30, 1990,
30 and the reorganization will take effect on or after July 1,
31 1991, and on or before July 1, 1993.

32 Sec. 3. Section 257.5, unnumbered paragraphs 1 and 2, Code
33 1991, are amended by striking the unnumbered paragraphs and
34 inserting in lieu thereof the following:

35 A reorganized school district, as defined in section 257.4,

1 subsection 1A, receiving supplemental aid prior to July 1,
2 1991, under section 442.9A, Code 1991, shall continue to
3 receive supplemental aid as provided in that section for the
4 five-year period specified in that section.

3287

5 Sec. 4. Section 257.12, Code 1991, is amended by striking
6 the section and inserting in lieu thereof the following:

7 257.12 SUPPLEMENTARY WEIGHTING AND SCHOOL REORGANIZATION.

8 In determining weighted enrollment under section 257.6, if
9 the board of directors of a school district has approved a
10 contract for sharing under section 442.39, subsection 2 or 4,
11 Code 1991, or section 257.11 and the school district has
12 initiated an action prior to November 30, 1990, to bring about
13 a reorganization, the reorganized school district shall
14 include, for a period of five years following the effective
15 date of the reorganization, additional pupils added by the
16 application of the supplementary weighting plan, equal to the
17 pupils added by the application of the supplementary weighting
18 plan in the year preceding the reorganization. However, the
19 weighting shall be reduced by the supplementary weighting
20 added for a pupil whose residency is not within the
21 reorganized district. For purposes of this section, a
22 reorganized district is one in which the reorganization was
23 approved in an election pursuant to sections 275.18 and 275.20
24 and takes effect on or after July 1, 1991, and on or before
25 July 1, 1993.

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26 A reorganized school district in which eligible pupils were
27 added under section 442.39A, Code 1991, shall continue to have
28 pupils added, subject to the changes in weighting made under
29 section 257.11, until the expiration of the five-year period
30 provided in section 442.39A, Code 1991.

31 Sec. 5. Section 257.16, unnumbered paragraph 1, Code 1991,
32 is amended to read as follows:

33 There is appropriated each year from the general fund of
34 the state an amount necessary to pay the foundation aid and
35 supplementary aid under section 257.4, subsection 1A.

3324

1 Sec. 6. Section 442.2, subsection 1, unnumbered paragraph
2 3, Code 1991, is amended to read as follows:

3 For purposes of this section, a reorganized school district
4 is one which absorbed at least thirty percent of the
5 enrollment of the school district affected by a reorganization
6 or dissolved during a dissolution and in which action to bring
7 about a reorganization or dissolution was initiated by a vote
8 of the board of directors or jointly by the affected boards of
9 directors prior to November 30, 1990, and the reorganization
10 or dissolution takes effect on or after July 1, 1988, and on
11 or before July 1, 1993.

12 Sec. 7. Section 442.2, subsection 2, unnumbered paragraph
13 2, Code 1991, is amended by striking the unnumbered paragraph.

14 Sec. 8. Section 442.9A, unnumbered paragraph 4, Code 1991,
15 is amended to read as follows:

16 For purposes of this section, a reorganized school district
17 is one in which action to bring about a reorganization was
18 initiated by a vote of the board of directors or jointly by
19 the affected boards of directors prior to November 30, 1990,
20 and will take effect on or after July 1, 1986, and on or
21 before July 1, 1993.

22 Sec. 9. Section 442.39A, Code 1991, is amended to read as
23 follows:

24 442.39A SUPPLEMENTARY WEIGHTING AND SCHOOL REORGANIZATION.

25 In determining weighted enrollment under section 442.4, if
26 the board of directors of a school district has approved a
27 contract for sharing under section 442.39, subsection 2 or 4,
28 and the school district has initiated an action prior to
29 November 30, 1990, to bring about a reorganization, the
30 reorganized school district shall include, for a period of
31 five years following the effective date of the reorganization,
32 additional pupils added by the application of the
33 supplementary weighting plan, equal to the pupils added by the
34 application of the supplementary weighting plan in the year
35 preceding the reorganization. However, the weighting shall be

1 reduced by the supplementary weighting added for a pupil whose
2-3412 residency is not within the reorganized district. For
3 purposes of this section, a reorganized district is one in
4 which the reorganization was approved in an election pursuant
5 to sections 275.18 and 275.20 and takes effect on or after
3335 6 July 1, 1986, and on or before July 1, 1993.

7 Sec. 10. This Act, being deemed of immediate importance,
8 takes effect upon its enactment.

9 EXPLANATION

10 This bill provides that school districts that took action
11 to reorganize prior to November 30, 1990, must establish an
12 effective date not later than July 1, 1993, for the
13 reorganization to take effect in order to receive school
14 district reorganization incentives.

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HOUSE FILE 583

H-3329

1 Amend House File 583 as follows:

2 1. Page 3, by inserting after line 35 the fol-
3 lowing:

4 "Sec. _____. Section 275.1, unnumbered paragraph 1,
5 Code 1991, is amended to read as follows:

6 It is the policy of the state to encourage
7 economical and efficient school districts which will
8 ensure an equal educational opportunity to all
9 children of the state. All areas of the state shall
10 be in school districts maintaining kindergarten and
11 twelve grades. If a school district ceases to
12 maintain kindergarten and twelve grades except as
13 otherwise provided in section 28E.9, 256.13, 280.15,
14 282.7, subsection 1 or subsections 1 and 3, or 282.8,
15 it shall reorganize within six months or the state
16 board shall attach the school district not maintaining
17 kindergarten and twelve grades to one or more adjacent
18 districts. Voluntary reorganizations under this
19 chapter shall be commenced only if the affected school
20 districts are contiguous adjacent to one another. A
21 reorganized district shall meet the requirements of
22 section 275.3.

23 Sec. _____. Section 275.1, Code 1991, is amended by
24 adding the following new subsection:

25 NEW SUBSECTION. 4. "Adjacent district" or
26 "adjacent territory" means a district or territory
27 which shares all or a portion of a boundary with a
28 second district or territory, or which is separated
29 from a second district or territory by property which
30 is part of a third school district which completely
31 surrounds the first district.

32 Sec. _____. Section 275.4, unnumbered paragraph 2,
33 Code 1991, is amended to read as follows:

34 In addition, the area education agency board shall
35 consult with the commissioner of public instruction in
36 the development of surveys and plans. The
37 commissioner of public instruction shall provide
38 assistance to the area education agency boards as
39 requested and shall advise the area education agency
40 boards concerning plans of contiguous adjacent area
41 education agencies and the reorganization policies
42 adopted by the state board of public instruction.

43 Sec. _____. Section 275.8, subsection 1, Code 1991,
44 is amended to read as follows:

45 1. Preparation of a written joint plan in which
46 contiguous adjacent territory in two or more area
47 education agencies is considered as a part of a
48 potential school district in the area education agency
49 on behalf of which such plan is filed with the state
50 department of public instruction by the area education

H-3329

Page 2

1 agency board.

2 Sec. ____ Section 275.11, Code 1991, is amended to
3 read as follows:

4 275.11 PROPOSALS INVOLVING TWO OR MORE DISTRICTS.

5 Subject to the approval of the area education
6 agency board contiguous adjacent territory located in
7 two or more school districts may be united into a
8 single district in the manner provided in sections
9 275.12 to 275.22 hereof.

10 Sec. ____ Section 275.23A, subsection 1, Code
11 1991, is amended to read as follows:

12 1. School districts which have directors who
13 represent director districts as provided in section
14 275.12, subsection 2, paragraphs b through e, shall be
15 divided into director districts on the basis of
16 population as determined from the most recent federal
17 decennial census. The director districts shall be as
18 nearly equal as practicable to the ideal population
19 for the districts as determined by dividing the number
20 of director districts to be established into the
21 population of the school district. The director
22 districts shall be composed of contiguous adjacent
23 territory as compact as practicable.

24 Sec. ____ Section 275.51, unnumbered paragraph 1,
25 Code 1991, is amended to read as follows:

26 As an alternative to school district reorganization
27 prescribed in this chapter, the board of directors of
28 a school district may establish a school district
29 dissolution commission to prepare a proposal of
30 dissolution of the school district and attachment of
31 all of the school district to one or more contiguous
32 adjacent school districts and to include in the
33 proposal a division of the assets and liabilities of
34 the dissolving school district. A school district
35 dissolution commission may also be established by the
36 board of directors of a school district if a
37 dissolution proposal has been prepared by eligible
38 electors who reside within the district. The proposal
39 must contain the names of the proposed members of the
40 commission and be accompanied by a petition which has
41 been signed by at least twenty percent of the eligible
42 electors.

43 Sec. ____ Section 275.52, unnumbered paragraph 2,
44 Code 1991, is amended to read as follows:

45 The commission shall request statements from
46 contiguous adjacent school districts outlining each
47 district's willingness to accept attachments of the
48 affected school district to the contiguous adjacent
49 districts and what conditions, if any, the contiguous
50 adjacent school district recommends. The commission

1 shall meet with boards of contiguous adjacent school
 2 districts and with residents of the affected school
 3 district to the extent possible in drawing up the
 4 dissolution proposal. The commission may seek
 5 assistance from the area education agency and the
 6 department of education.

7 Sec. ____ . Section 275.54, unnumbered paragraph 1,
 8 Code 1991, is amended to read as follows:

9 Within ten days following the filing of the
 10 dissolution proposal with the board, the board shall
 11 fix a date for a hearing on the proposal which shall
 12 not be more than sixty days after the dissolution
 13 petition was filed with the board. The board shall
 14 publish notice of the date, time, and location of the
 15 hearing at least ten days prior to the date of the
 16 hearing by one publication in a newspaper in general
 17 circulation in the district. The notice shall include
 18 the content of the dissolution proposal. A person
 19 residing or owning land in the school district may
 20 present evidence and arguments at the hearing. The
 21 president of the board shall preside at the hearing.
 22 The board shall review testimony from the hearing and
 23 shall adopt or amend and adopt the dissolution
 24 proposal. The board shall notify by registered mail
 25 the boards of directors of all school districts to
 26 which area of the affected school district will be
 27 attached and the director of the department of
 28 education of the contents of the dissolution proposal
 29 adopted by the board. If the board of a district to
 30 which area of the affected school district will be
 31 attached objects to the attachment, that portion of
 32 the dissolution proposal will not be included in the
 33 proposal voted upon under section 275.55 and the
 34 director of the department of education shall attach
 35 the area to ~~a-contiguous~~ an adjacent school district.
 36 If the board of a district to which area of the
 37 affected school district will be attached objects to
 38 the division of assets and liabilities contained in
 39 the dissolution proposal, section 275.30 applies for
 40 the division of assets and liabilities to that
 41 district.

42 Sec. ____ . Section 275.55, unnumbered paragraph 1,
 43 Code 1991, is amended to read as follows:

44 The board of the school district shall call a
 45 special election to be held not later than forty days
 46 following the date of the final hearing on the
 47 dissolution proposal. The special election may be
 48 held at the same time as the regular school election.
 49 The proposition submitted to the voters residing in
 50 the school district at the special election shall

Page 4

1 describe each separate area to be attached to a
 2 contiguous an adjacent school district and shall name
 3 the school district to which it will be attached."

4 2. Title page, line 1, by striking the word
 5 "the".

6 3. Title page, line 2, by inserting after the
 7 word "reorganization" the following: "and".

8 4. By numbering and renumbering as necessary.

By SPENNER of Henry

HOUSE FILE 583

H-3338

1 Amend House File 583 as follows:

2 1. Page 3, line 21, by inserting after the word
3 "district." the following: "For those districts, in
4 which the fifth year of sharing under section 442.39A
5 took place during the school year commencing July 1,
6 1990, and ending June 30, 1991, and which reorganizes
7 effective during the school year commencing July 1,
8 1992, the additional pupils added under the
9 supplementary weighting plan shall be equal to the
10 pupils added by the application of the supplementary
11 weighting plan under section 442.39A in the fifth year
12 of the contract for sharing."

By MCNEAL of Hardin

DAGGETT of Adams

IVERSON of Wright

SVOBODA of Tama

H-3338 FILED MARCH 26, 1991

Line 4/2 (p. 1013)

SENATE AMENDMENT TO HOUSE FILE 583

H-3887

1 Amend House File 583, as passed by the House, as
2 follows:

3 1. Page 1, line 31, by inserting after the figure
4 "1993." the following: "Each district which
5 initiated, by a vote of the board of directors or
6 jointly by the affected boards, action to bring about
7 a reorganization or dissolution by November 30, 1990,
8 shall certify the date and the nature of the action
9 taken to the department of education by September 1,
10 1991."

11 2. Page 2, line 31, by inserting after the figure
12 "1993." the following: "Each district which
13 initiated, by a vote of the board of directors or
14 jointly by the affected boards, action to bring about
15 a reorganization or dissolution by November 30, 1990,
16 shall certify the date and the nature of the action
17 taken to the department of education by September 1,
18 1991."

19 3. Page 3, line 25, by inserting after the figure
20 "1993." the following: "Each district which
21 initiated, by a vote of the board of directors or
22 jointly by the affected boards, action to bring about
23 a reorganization or dissolution by November 30, 1990,
24 shall certify the date and the nature of the action
25 taken to the department of education by September 1,
26 1991."

27 4. Page 4, line 11, by inserting after the figure
28 "1993." the following: "Each district which
29 initiated, by a vote of the board of directors or
30 jointly by the affected boards, action to bring about
31 a reorganization or dissolution by November 30, 1990,
32 shall certify the date and the nature of the action
33 taken to the department of education by September 1,
34 1991."

35 5. Page 4, line 21, by inserting after the figure
36 "1993." the following: "Each district which
37 initiated, by a vote of the board of directors or
38 jointly by the affected boards, action to bring about
39 a reorganization or dissolution by November 30, 1990,
40 shall certify the date and the nature of the action
41 taken to the department of education by September 1,
42 1991."

43 6. Page 5, line 6, by inserting after the figure
44 "1993." the following: "Each district which
45 initiated, by a vote of the board of directors or
46 jointly by the affected boards, action to bring about
47 a reorganization or dissolution by November 30, 1990,
48 shall certify the date and the nature of the action
49 taken to the department of education by September 1,
50 1991."

RECEIVED FROM THE SENATE

H-3887 FILED APRIL 25, 1991

House concurred 4/30/91 (p. 1913)

HOUSE FILE 583

S-3388

Amend House File 583, as passed by the House, as follows:

3 1. Page 1, line 31, by inserting after the figure
4 "1993." the following: "Each district which
5 initiated, by a vote of the board of directors or
6 jointly by the affected boards, action to bring about
7 a reorganization or dissolution by November 30, 1990,
8 shall certify the date and the nature of the action
9 taken to the department of education by September 1,
10 1991."

11 2. Page 2, line 31, by inserting after the figure
12 "1993." the following: "Each district which
13 initiated, by a vote of the board of directors or
14 jointly by the affected boards, action to bring about
15 a reorganization or dissolution by November 30, 1990,
16 shall certify the date and the nature of the action
17 taken to the department of education by September 1,
18 1991."

19 3. Page 3, line 25, by inserting after the figure
20 "1993." the following: "Each district which
21 initiated, by a vote of the board of directors or
22 jointly by the affected boards, action to bring about
23 a reorganization or dissolution by November 30, 1990,
24 shall certify the date and the nature of the action
25 taken to the department of education by September 1,
1991."

26 4. Page 4, line 11, by inserting after the figure
27 "1993." the following: "Each district which
28 initiated, by a vote of the board of directors or
29 jointly by the affected boards, action to bring about
30 a reorganization or dissolution by November 30, 1990,
31 shall certify the date and the nature of the action
32 taken to the department of education by September 1,
33 1991."

34 5. Page 4, line 21, by inserting after the figure
35 "1993." the following: "Each district which
36 initiated, by a vote of the board of directors or
37 jointly by the affected boards, action to bring about
38 a reorganization or dissolution by November 30, 1990,
39 shall certify the date and the nature of the action
40 taken to the department of education by September 1,
41 1991."

42 6. Page 5, line 6, by inserting after the figure
43 "1993." the following: "Each district which
44 initiated, by a vote of the board of directors or
45 jointly by the affected boards, action to bring about
46 a reorganization or dissolution by November 30, 1990,
47 shall certify the date and the nature of the action
48 taken to the department of education by September 1,
49 1991."

By COMMITTEE ON EDUCATION
MIKE CONNOLLY, Chairperson

HOUSE FILE 583

S-3412

1 Amend House File 583, as passed by the House, as
2 follows:

3 1. Page 5, line 2, by inserting after the word
4 "district." the following: "For those districts, in
5 which the fifth year of sharing will take place during
6 the school year commencing July 1, 1990, and ending
7 June 30, 1991, and which will reorganize effective
8 during the school year commencing July 1, 1993, the
9 additional pupils added under the supplementary
10 weighting plan shall be equal to the pupils added by
11 the application of the supplementary weighting plan in
12 the fifth year of the contract for sharing."

By RAY TAYLOR

EMIL J. HUSAK

BERL E. PRIEBE

JOHN W. JENSEN

S-3412 FILED APRIL 15, 1991

Lost 4/17/91 (#1225)

Refer to memorandum 4/18/91 (g.)

Reconsidered & lost 4/24/91

Adams, chair
Hageschulte
Shoultz

HSB 244
EDUCATION

HOUSE FILE 583
BY (PROPOSED COMMITTEE
ON EDUCATION BILL BY
CHAIRPERSON OLLIE)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to eligibility of school districts for the
2 reorganization incentives and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 257.3, subsection 2, Code 1991, is
2 amended by striking the subsection and inserting in lieu
3 thereof the following:

4 2. TAX FOR REORGANIZED AND DISSOLVED DISTRICTS.

5 Notwithstanding subsection 1, a reorganized school district
6 shall cause a foundation property tax of four dollars and
7 forty cents per thousand dollars of assessed valuation to be
8 levied on all taxable property which, in the year preceding a
9 reorganization, was within a school district affected by the
10 reorganization as defined in section 275.1, or in the year
11 preceding a dissolution was a part of a school district that
12 dissolved if the dissolution proposal has been approved by the
13 director of the department of education pursuant to section
14 275.55. In the year preceding the reorganization or
15 dissolution, the school district affected by the
16 reorganization or the school district that dissolved must have
17 had a certified enrollment of fewer than six hundred in order
18 for the four-dollar-and-forty-cent levy to apply. In
19 succeeding school years, the foundation property tax levy on
20 that portion shall be increased twenty cents per year until it
21 reaches the rate of five dollars and forty cents per thousand
22 dollars of assessed valuation.

23 For purposes of this section, a reorganized school district
24 is one which absorbed at least thirty percent of the
25 enrollment of the school district affected by a reorganization
26 or dissolved during a dissolution and in which action to bring
27 about a reorganization or dissolution was initiated by a vote
28 of the board of directors or jointly by the affected boards of
29 directors prior to November 30, 1990, and the reorganization
30 or dissolution takes effect on or after July 1, 1991, and on
31 or before July 1, 1993.

32 The reduced property tax rates of reorganized school
33 districts that met the requirements of section 442.2, Code
34 1991, prior to July 1, 1991, shall continue to increase as
35 provided in that section until they reach five dollars and

1 forty cents.

2 Sec. 2. Section 257.4, Code 1991, is amended by adding the
3 following new subsection:

4 NEW SUBSECTION. IA. SUPPLEMENTAL AID. However, if the
5 rate of the additional property tax levy determined under
6 subsection 1 with the application of section 257.15 for a
7 budget year for a reorganized school district is higher than
8 the rate of additional property tax levy determined under
9 subsection 1 with the application of section 257.15 for the
10 year previous to the reorganization for a school district that
11 had a certified enrollment of less than six hundred and that
12 was within the school districts affected by the reorganization
13 as defined in section 275.1, the department of management
14 shall reduce the rate of the additional property tax levy in
15 the portion of the reorganized district where the new rate is
16 higher, to the rate that was levied in that portion of the
17 district during the year preceding the reorganization, for a
18 five-year period. The department of management shall include
19 in the state aid payments made to each reorganized school
20 district under section 256.16 during each of the first five
21 years of existence of the reorganized district as supplemental
22 aid, moneys equal to the reduction in property tax revenues
23 made under this subsection. For the budget year beginning
24 July 1, 1991, the base year calculation shall be made using
25 chapter 442, Code 1991.

26 For purposes of this section, a reorganized school district
27 is one in which action to bring about a reorganization was
28 initiated by a vote of the board of directors or jointly by
29 the affected boards of directors prior to November 30, 1990,
30 and the reorganization will take effect on or after July 1,
31 1991, and on or before July 1, 1993.

32 Sec. 3. Section 257.5, unnumbered paragraphs 1 and 2, Code
33 1991, are amended by striking the unnumbered paragraphs and
34 inserting in lieu thereof the following:

35 A reorganized school district, as defined in section 257.4,

1 subsection 1A, receiving supplemental aid prior to July 1,
2 1991, under section 442.9A, Code 1991, shall continue to
3 receive supplemental aid as provided in that section for the
4 five-year period specified in that section.

5 Sec. 4. Section 257.12, Code 1991, is amended by striking
6 the section and inserting in lieu thereof the following:

7 257.12 SUPPLEMENTARY WEIGHTING AND SCHOOL REORGANIZATION.

8 In determining weighted enrollment under section 257.6, if
9 the board of directors of a school district has approved a
10 contract for sharing under section 442.39, subsection 2 or 4,
11 Code 1991, or section 257.11 and the school district has
12 initiated an action prior to November 30, 1990, to bring about
13 a reorganization, the reorganized school district shall
14 include, for a period of five years following the effective
15 date of the reorganization, additional pupils added by the
16 application of the supplementary weighting plan, equal to the
17 pupils added by the application of the supplementary weighting
18 plan in the year preceding the reorganization. However, the
19 weighting shall be reduced by the supplementary weighting
20 added for a pupil whose residency is not within the
21 reorganized district. For purposes of this section, a
22 reorganized district is one in which the reorganization was
23 approved in an election pursuant to sections 275.18 and 275.20
24 and takes effect on or after July 1, 1991, and on or before
25 July 1, 1993.

26 A reorganized school district in which eligible pupils were
27 added under section 442.39A, Code 1991, shall continue to have
28 pupils added, subject to the changes in weighting made under
29 section 257.11, until the expiration of the five-year period
30 provided in section 442.39A, Code 1991.

31 Sec. 5. Section 257.16, unnumbered paragraph 1, Code 1991,
32 is amended to read as follows:

33 There is appropriated each year from the general fund of
34 the state an amount necessary to pay the foundation aid and
35 supplementary aid under section 257.4, subsection 1A.

1 Sec. 6. Section 442.2, subsection 1, unnumbered paragraph
2 3, Code 1991, is amended to read as follows:

3 For purposes of this section, a reorganized school district
4 is one which absorbed at least thirty percent of the
5 enrollment of the school district affected by a reorganization
6 or dissolved during a dissolution and in which action to bring
7 about a reorganization or dissolution was initiated by a vote
8 of the board of directors or jointly by the affected boards of
9 directors prior to November 30, 1990, and the reorganization
10 or dissolution takes effect on or after July 1, 1988, and on
11 or before July 1, 1993.

12 Sec. 7. Section 442.2, subsection 2, unnumbered paragraph
13 2, Code 1991, is amended by striking the unnumbered paragraph.

14 Sec. 8. Section 442.9A, unnumbered paragraph 4, Code 1991,
15 is amended to read as follows:

16 For purposes of this section, a reorganized school district
17 is one in which action to bring about a reorganization was
18 initiated by a vote of the board of directors or jointly by
19 the affected boards of directors prior to November 30, 1990,
20 and will take effect on or after July 1, 1986, and on or
21 before July 1, 1993.

22 Sec. 9. Section 442.39A, Code 1991, is amended to read as
23 follows:

24 442.39A SUPPLEMENTARY WEIGHTING AND SCHOOL REORGANIZATION.

25 In determining weighted enrollment under section 442.4, if
26 the board of directors of a school district has approved a
27 contract for sharing under section 442.39, subsection 2 or 4,
28 and the school district has initiated an action prior to
29 November 30, 1990, to bring about a reorganization, the
30 reorganized school district shall include, for a period of
31 five years following the effective date of the reorganization,
32 additional pupils added by the application of the
33 supplementary weighting plan, equal to the pupils added by the
34 application of the supplementary weighting plan in the year
35 preceding the reorganization. However, the weighting shall be

1 reduced by the supplementary weighting added for a pupil whose
2 residency is not within the reorganized district. For
3 purposes of this section, a reorganized district is one in
4 which the reorganization was approved in an election pursuant
5 to sections 275.18 and 275.20 and takes effect on or after
6 July 1, 1986, and on or before July 1, 1993.

7 Sec. 10. This Act, being deemed of immediate importance,
8 takes effect upon its enactment.

9 EXPLANATION

10 This bill provides that school districts that took action
11 to reorganize prior to November 30, 1990, must establish an
12 effective date not later than July 1, 1993, for the
13 reorganization to take effect in order to receive school
14 district reorganization incentives.

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HOUSE FILE 583

AN ACT
RELATING TO ELIGIBILITY OF SCHOOL DISTRICTS FOR THE
REORGANIZATION INCENTIVES AND PROVIDING AN EFFECTIVE
DATE.

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

Section 1. Section 257.3, subsection 2, Code 1991, is amended by striking the subsection and inserting in lieu thereof the following:

2. TAX FOR REORGANIZED AND DISSOLVED DISTRICTS.
Notwithstanding subsection 1, a reorganized school district shall cause a foundation property tax of four dollars and forty cents per thousand dollars of assessed valuation to be levied on all taxable property which, in the year preceding a reorganization, was within a school district affected by the reorganization as defined in section 275.1, or in the year preceding a dissolution was a part of a school district that dissolved if the dissolution proposal has been approved by the director of the department of education pursuant to section 275.55. In the year preceding the reorganization or dissolution, the school district affected by the reorganization or the school district that dissolved must have had a certified enrollment of fewer than six hundred in order for the four-dollar-and-forty-cent levy to apply. In succeeding school years, the foundation property tax levy on that portion shall be increased twenty cents per year until it reaches the rate of five dollars and forty cents per thousand dollars of assessed valuation.

For purposes of this section, a reorganized school district is one which absorbed at least thirty percent of the

enrollment of the school district affected by a reorganization or dissolved during a dissolution and in which action to bring about a reorganization or dissolution was initiated by a vote of the board of directors or jointly by the affected boards of directors prior to November 30, 1990, and the reorganization or dissolution takes effect on or after July 1, 1991, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

The reduced property tax rates of reorganized school districts that met the requirements of section 442.2, Code 1991, prior to July 1, 1991, shall continue to increase as provided in that section until they reach five dollars and forty cents.

Sec. 2. Section 257.4, Code 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. SUPPLEMENTAL AID. However, if the rate of the additional property tax levy determined under subsection 1 with the application of section 257.15 for a budget year for a reorganized school district is higher than the rate of additional property tax levy determined under subsection 1 with the application of section 257.15 for the year previous to the reorganization for a school district that had a certified enrollment of less than six hundred and that was within the school districts affected by the reorganization as defined in section 275.1, the department of management shall reduce the rate of the additional property tax levy in the portion of the reorganized district where the new rate is higher, to the rate that was levied in that portion of the district during the year preceding the reorganization, for a five-year period. The department of management shall include in the state aid payments made to each reorganized school district under section 256.16 during each of the first five

years of existence of the reorganized district as supplemental aid, moneys equal to the reduction in property tax revenues made under this subsection. For the budget year beginning July 1, 1991, the base year calculation shall be made using chapter 442, Code 1991.

For purposes of this section, a reorganized school district is one in which action to bring about a reorganization was initiated by a vote of the board of directors or jointly by the affected boards of directors prior to November 30, 1990, and the reorganization will take effect on or after July 1, 1991, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

Sec. 3. Section 257.5, unnumbered paragraphs 1 and 2, Code 1991, are amended by striking the unnumbered paragraphs and inserting in lieu thereof the following:

A reorganized school district, as defined in section 257.4, subsection 1A, receiving supplemental aid prior to July 1, 1991, under section 442.9A, Code 1991, shall continue to receive supplemental aid as provided in that section for the five-year period specified in that section.

Sec. 4. Section 257.12, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

257.12 SUPPLEMENTARY WEIGHTING AND SCHOOL REORGANIZATION.

In determining weighted enrollment under section 257.6, if the board of directors of a school district has approved a contract for sharing under section 442.39, subsection 2 or 4, Code 1991, or section 257.11 and the school district has initiated an action prior to November 30, 1990, to bring about a reorganization, the reorganized school district shall include, for a period of five years following the effective date of the reorganization, additional pupils added by the application of the supplementary weighting plan, equal to the

pupils added by the application of the supplementary weighting plan in the year preceding the reorganization. However, the weighting shall be reduced by the supplementary weighting added for a pupil whose residency is not within the reorganized district. For purposes of this section, a reorganized district is one in which the reorganization was approved in an election pursuant to sections 275.18 and 275.20 and takes effect on or after July 1, 1991, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

A reorganized school district in which eligible pupils were added under section 442.39A, Code 1991, shall continue to have pupils added, subject to the changes in weighting made under section 257.11, until the expiration of the five-year period provided in section 442.39A, Code 1991.

Sec. 5. Section 257.16, unnumbered paragraph 1, Code 1991, is amended to read as follows:

There is appropriated each year from the general fund of the state an amount necessary to pay the foundation aid and supplementary aid under section 257.4, subsection 1A.

Sec. 6. Section 442.2, subsection 1, unnumbered paragraph 3, Code 1991, is amended to read as follows:

For purposes of this section, a reorganized school district is one which absorbed at least thirty percent of the enrollment of the school district affected by a reorganization or dissolved during a dissolution and in which action to bring about a reorganization or dissolution was initiated by a vote of the board of directors or jointly by the affected boards of directors prior to November 30, 1990, and the reorganization or dissolution takes effect on or after July 1, 1988, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution

by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

Sec. 7. Section 442.2, subsection 2, unnumbered paragraph 2, Code 1991, is amended by striking the unnumbered paragraph.

Sec. 8. Section 442.9A, unnumbered paragraph 4, Code 1991, is amended to read as follows:

For purposes of this section, a reorganized school district is one in which action to bring about a reorganization was initiated by a vote of the board of directors or jointly by the affected boards of directors prior to November 30, 1990, and will take effect on or after July 1, 1986, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

Sec. 9. Section 442.39A, Code 1991, is amended to read as follows:

442.39A SUPPLEMENTARY WEIGHTING AND SCHOOL REORGANIZATION.

In determining weighted enrollment under section 442.4, if the board of directors of a school district has approved a contract for sharing under section 442.39, subsection 2 or 4, and the school district has initiated an action prior to November 30, 1990, to bring about a reorganization, the reorganized school district shall include, for a period of five years following the effective date of the reorganization, additional pupils added by the application of the supplementary weighting plan, equal to the pupils added by the application of the supplementary weighting plan in the year preceding the reorganization. However, the weighting shall be reduced by the supplementary weighting added for a pupil whose residency is not within the reorganized district. For purposes of this section, a reorganized district is one in which the reorganization was approved in an election pursuant

to sections 275.18 and 275.20 and takes effect on or after July 1, 1986, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

Sec. 10. This Act, being deemed of immediate importance, takes effect upon its enactment.

ROBERT C. ARNOULD
Speaker of the House

JOE J. WELSK
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 583, Seventy-fourth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved May 14, 1991

TERRY E. BRANSTAD
Governor