

FEB 8 1996
EDUCATION

HOUSE FILE 2185
BY HAMMITT BARRY, DAGGETT, CARROLL,
HAHN, BOGGESS, NUTT, TEIG,
LAMBERTI, HARRISON, LARSON,
WEIDMAN, BRADLEY, SCHULTE,
HURLEY, VANDE HOEF, DISNEY,
ARNOLD, RENKEN, MAIN, WELTER,
TYRRELL, NELSON of Pottawattamie,
WARNSTADT, THOMSON, LORD,
METCALF, RANTS, HOUSER, DRAKE,
NELSON of Marshall, HANSON,
CHURCHILL, GRUNDBERG, BRANSTAD,
JACOBS, KLEMME, HALVORSON, COON,
HUSEMAN, BODDICKER, and KREMER

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

A BILL FOR

1 An Act relating to school finance by providing a formula to fund
2 costs resulting from increased student enrollment and making
3 an appropriation.

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

5
6
7
8
9
10
11
12
13

HF 2185

1 Section 1. NEW SECTION. 257.13 CURRENT YEAR ADDITIONAL
2 FUNDING.

3 If a district's actual enrollment for the budget year,
4 determined under section 257.6, is greater than its budget
5 enrollment for the budget year, the district is granted an
6 additional funding from the state equal in amount to the
7 product of one-half of its regular program district cost per
8 pupil for the budget year multiplied by the difference between
9 the actual enrollment for the budget year and the budget
10 enrollment for the budget year. The additional funding
11 received under this section is miscellaneous income to the
12 district.

13 If a district receives additional funding under this
14 section for a budget year, the department of management shall
15 determine the amount of the additional funding which would
16 have been generated by local property tax revenues if the
17 actual enrollment for the budget year had been used in
18 determining district cost for that budget year. The
19 department of management shall reduce, but not by more than
20 the amount of the additional funding, the district's total
21 state school aids otherwise available under this chapter for
22 the next following budget year by the amount so determined,
23 and shall increase the district's additional property tax levy
24 for the next following budget year by the amount necessary to
25 compensate for the reduction in state aid, so that the local
26 property tax for the next following year will be increased
27 only by the amount which it would have been increased in the
28 budget year if the enrollment calculated in this section could
29 have been used to establish the levy.

30 There is appropriated each fiscal year from the general
31 fund of the state to the department of education the amount
32 required to pay additional funding authorized under this
33 section, which shall be paid to school districts in monthly
34 installments beginning on December 15 and ending on June 15 of
35 a budget year.

1

EXPLANATION

2 This bill provides that if the actual enrollment of a
3 school district exceeds the budget enrollment for the budget
4 year, the district can receive additional funding attributable
5 to the increased enrollment. The amount of the additional
6 funding is equal to 50 percent of the regular program district
7 cost per pupil for the budget year, multiplied by the
8 difference between the actual and budget enrollment figures
9 for the budget year. The additional funding is classified as
10 miscellaneous income.

11 The additional funding received in a given budget year will
12 impact the following year's state aid and property tax levels.
13 The amount which would have been generated by property taxes
14 if the actual (increased) enrollment figure was used in
15 determining the district cost will be calculated by the
16 department of management. This amount will reduce the level
17 of state aid available to the district for the following year,
18 but not by more than the amount of the additional funding.
19 The district's additional property tax levy for the following
20 budget year will then be increased by the amount necessary to
21 compensate for the reduction in state aid.

22 The bill appropriates the amount necessary to pay the
23 additional funding each fiscal year to the department of
24 education.

25

26

27

28

29

30

31

32

33

34

35