

3/4/96 Do Pass
3/25/96 Referred to Education

FEB 26 1996
EDUCATION

HOUSE FILE **2340**
BY DAGGETT

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 additional current
2 year funding for special education students and providing an
3 effective date.

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

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HT 2340

1 Section 1. NEW SECTION. 256B.16 CURRENT YEAR ADDITIONAL
2 FUNDING.

3 If a district's actual enrollment of special education
4 pupils, as determined pursuant to section 257.6, subsection 3,
5 is greater than its budget enrollment of special education
6 pupils for the budget year, the district is granted additional
7 funding from the state of an amount equal to the regular
8 program district cost per pupil times the product of the
9 additional weighting for special education determined in
10 section 256B.9 multiplied by the difference between the actual
11 enrollment of special education pupils and the budget
12 enrollment of special education pupils for the budget year.
13 The additional funding received is miscellaneous income to the
14 district.

15 If a district receives additional funding under this
16 subsection for a budget year, the department of management
17 shall determine the amount of the additional funding which
18 would have been generated by local property tax revenues if
19 the actual number of special education students for the budget
20 year had been used in determining district cost for that
21 budget year. The department of management shall reduce, but
22 not by more than the amount of the additional funding, the
23 district's total state school aid otherwise available under
24 chapter 257 for the following budget year by the amount so
25 determined, and shall increase the district's additional
26 property tax levy for the following budget year by the amount
27 necessary to compensate for the reduction in state aid, so
28 that the local property tax for the following year will be
29 increased only by the amount which it would have been
30 increased in the budget year if the enrollment calculated
31 pursuant to this section could have been used to establish the
32 levy.

33 There is appropriated each fiscal year from the general
34 fund of the state to the department of education the amount
35 required to pay the additional funding authorized under this

1 section. The state aid paid to school districts under this
2 section shall be paid in monthly installments beginning on
3 December 15 of a budget year and ending on June 15.

4 Sec. 2. This Act, being deemed of immediate importance,
5 takes effect upon enactment for the purpose of computations
6 required for payment of state aid to and levying property
7 taxes by school districts for budget years beginning on or
8 after July 1, 1996.

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EXPLANATION

10 The bill provides that if the actual number of special
11 education students in a school district exceeds the number of
12 special education students in the budget enrollment for the
13 budget year, the district can receive additional funding
14 attributable to the increased number of students. The amount
15 of the additional funding is equal to the additional weighting
16 for special education students multiplied by the difference
17 between the actual and budget numbers of special education
18 students for the budget year times the district cost per
19 pupil. The additional funding is classified as miscellaneous
20 income.

21 The additional funding received in a given budget year will
22 impact the following year's state aid and property tax levels.
23 The amount which would have been generated by property taxes
24 if the actual (increased) number of special education students
25 was used in determining the district cost will be calculated
26 by the department of management. This amount will reduce the
27 level of state aid available to the district for the following
28 year, but not by more than the amount of the additional
29 funding. The district's additional property tax levy for the
30 following budget year will then be increased by the amount
31 necessary to compensate for the reduction in state aid.

32 The bill appropriates the amount necessary to pay the
33 additional funding each fiscal year to the department of
34 education.

35 The bill takes effect upon enactment.