

MAR 10 1995

EDUCATION

HOUSE FILE 366

BY COHOON

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

A BILL FOR

1 An Act relating to school finances by increasing the special
2 education support services foundation level, providing an
3 adjustment to budget enrollment for declining enrollment,
4 providing an advance in state aid for increasing enrollment,
5 increasing and funding an increase in the school district
6 budget guarantee provision, providing state aid for districts
7 with higher than average transportation costs, and making
8 appropriations, and providing an effective and applicability
9 date provision.

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

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1 Section 1. Section 257.1, subsection 2, unnumbered
2 paragraph 2, Code 1995, is amended to read as follows:

3 For the budget year commencing July 1, ~~1991~~ 1995, and for
4 each succeeding budget year the regular program foundation
5 base per pupil is eighty-three percent of the regular program
6 state cost per pupil, ~~except that the regular program~~
7 ~~foundation base per pupil for the portion of weighted~~
8 ~~enrollment that is additional enrollment because of special~~
9 ~~education is seventy-nine percent of the regular program state~~
10 ~~cost per pupil.~~ For the budget year commencing July 1, ~~1991~~
11 1995, and for each succeeding budget year the special
12 education support services foundation base is ~~seventy-nine~~
13 eighty-three percent of the special education support services
14 state cost per pupil. The combined foundation base is the sum
15 of the regular program foundation base and the special
16 education support services foundation base.

17 Sec. 2. Section 257.6, subsection 1, unnumbered paragraph
18 3, Code 1995, is amended to read as follows:

19 A school district shall certify its actual enrollment to
20 the department of education by October 1 of each year, and the
21 department shall promptly forward the information to the
22 department of management. The department of management shall
23 determine whether a district is entitled to an advance for
24 increasing enrollment on the basis of its actual enrollment.

25 Sec. 3. Section 257.6, subsection 4, Code 1995, is amended
26 by striking the section and inserting in lieu thereof the
27 following:

28 4. BUDGET ENROLLMENT. Budget enrollment for the budget
29 year is the basic enrollment for the budget year adjusted by
30 the department of management as follows:

31 If the basic enrollment of a school district has declined
32 from one year to the next during any of the five years prior
33 to the base year, the district may be eligible for an
34 enrollment adjustment based upon the percent of the enrollment
35 decline and the number of years that have elapsed since the

1 decline occurred. The budget enrollment for the budget year
 2 shall be calculated by adding together the following percents
 3 of enrollment decline in the district's basic enrollment from
 4 one base year to the preceding base year for each of the five
 5 preceding base years, commencing with the percent of change
 6 between the basic enrollment for the budget year and the basic
 7 enrollment for the base year, adding the sum of the percents
 8 to one hundred percent and multiplying the total by the basic
 9 enrollment for the budget year:

10		Years between the Base Year				
11		and the Year of Decline				
12	Percent of Decline	1	2	3	4	5
13	Less than 1	0	0	0	0	0
14	1.0 through 2.9	2	2	1	1	0
15	3.0 through 4.9	4	3	2	2	1
16	5.0 through 6.9	6	5	4	3	2
17	7.0 and over	8	7	5	4	3

18 However, if a district's actual enrollment for a budget
 19 year is greater than its budget enrollment, the district is
 20 eligible for an advance for increasing enrollment as provided
 21 in section 257.13.

22 Sec. 4. NEW SECTION. 257.13 ADVANCE FOR INCREASING
 23 ENROLLMENT.

24 1. If a district's actual enrollment for the budget year,
 25 determined under section 257.6, is greater than its budget
 26 enrollment for the budget year, the district is granted an
 27 advance from the state of an amount equal to fifty percent of
 28 the product of its regular program district cost per pupil for
 29 the budget year multiplied by the difference between the
 30 actual enrollment for the budget year and the budget
 31 enrollment for the budget year. The advance is miscellaneous
 32 income.

33 If a district receives an advance under this section for a
 34 budget year, the department of management shall determine the
 35 amount of the advance which would have been generated by local

1 property tax revenues if the actual enrollment for the budget
2 year had been used in determining district cost for that
3 budget year, shall reduce the district's total state school
4 aids otherwise available under this chapter for the next
5 following budget year by the amount so determined, and shall
6 increase the district's additional property tax levy for the
7 next following budget year by the amount necessary to
8 compensate for the reduction in state aid, so that the local
9 property tax for the next following year will be increased
10 only by the amount which it would have been increased in the
11 budget year if the enrollment calculated in this section could
12 have been used to establish the levy.

13 2. There is appropriated each fiscal year from the general
14 fund of the state to the department of education the amount
15 required to pay advances authorized under this section, which
16 shall be paid to school districts in the same manner as other
17 state aids are paid under section 257.16.

18 Sec. 5. Section 257.14, unnumbered paragraph 1, Code 1995,
19 is amended to read as follows:

20 For the budget years commencing July 1, 1991, July 1, 1992,
21 July 1, 1993, July 1, 1994, and July 1, 1995, if the
22 department of management determines that the regular program
23 district cost of a school district for a budget year is less
24 than one hundred percent, or for the budget year beginning
25 July 1, 1995, less than one hundred one percent, of the total
26 of the regular program district cost plus any adjustment added
27 under this section for the base year for that school district,
28 the department of management shall provide a budget adjustment
29 for that district for that budget year that is equal to the
30 difference. For the budget year commencing July 1, 1995,
31 there is appropriated from the general fund of the state to
32 the department of education an amount sufficient to pay, as
33 state supplementary aid, to those school districts the
34 additional adjustment amounts added to their budgets as a
35 result of increasing from a one hundred percent budget

1 guarantee to a one hundred one percent budget guarantee.

2 Sec. 6. NEW SECTION. 257.51 TRANSPORTATION ASSISTANCE
3 AID TO DISTRICTS.

4 1. The department of education shall pay transportation
5 assistance aid for a budget year to a school district from
6 funds appropriated in this section to school districts whose
7 average transportation costs per pupil for the base year
8 exceed one hundred twenty-five percent of the state average
9 transportation costs per pupil for the base year determined
10 under subsection 2.

11 2. A district's average transportation costs per pupil for
12 the base year shall be determined by dividing the district's
13 actual cost for all children transported in all school buses
14 for the base year pursuant to section 285.1, subsection 12, by
15 the district's actual enrollment for the base year, as defined
16 in section 257.6. The state average transportation costs per
17 pupil for the base year shall be determined by dividing the
18 total actual costs for all children transported in all
19 districts for the base year, by the total of all districts'
20 actual enrollments for the base year.

21 3. A school district shall annually certify for the base
22 year its actual cost for all children transported in all
23 school buses by July 15 after each school year on forms
24 prescribed by the department of education.

25 4. If a school district's average transportation costs per
26 pupil for the base year are greater than one hundred twenty-
27 five percent of the state average transportation costs per
28 pupil for the base year, the department of education shall pay
29 transportation assistance aid for the budget year equal to the
30 amount of the difference multiplied by the district's actual
31 enrollment for the budget year.

32 5. There is appropriated from the general fund of the
33 state to the department of education, for each fiscal year, an
34 amount necessary to pay transportation assistance aid pursuant
35 to this section. Transportation assistance aid is

1 miscellaneous income and shall be paid in the manner provided
2 in section 257.16, commencing with the October 15 payment.

3 Sec. 7. Section 265.6, Code 1995, is amended to read as
4 follows:

5 265.6 STATE AID APPLICABLE.

6 If the state board of regents has established a laboratory
7 school, it shall receive state aid pursuant to chapters 256B
8 and 257 for each pupil enrolled in the laboratory school in
9 the same amount as the public school district in which the
10 pupil resides would receive aid for that pupil and shall
11 transmit the amount received to the institution of higher
12 education at which the laboratory school has been established.
13 If the board of a school district terminates a contract with
14 the state board of regents for attendance of pupils in a
15 laboratory school, the school district shall inform the
16 department of management of the number of these pupils who are
17 enrolled in the district on the third Friday of the following
18 September. The department of management shall pay to the
19 school district, from funds appropriated in section 257.16, an
20 amount equal to the amount of state aid paid for each pupil in
21 that school district for that school year in payments made as
22 provided in section 257.16. However, payments shall not be
23 made for pupils for whom an advance is received by the
24 district under section 257.13.

25 Sec. 8. This Act, being deemed of immediate importance,
26 takes effect upon enactment for budget years beginning on or
27 after July 1, 1995.

28 EXPLANATION

29 The bill makes changes in state school financial aid as
30 follows: Increases the special education support services
31 foundation base from 79 to 83 percent the same as the regular
32 program foundation base level (section 1); adjusts the budget
33 enrollment for a budget year for school districts with
34 declining enrollment in any of the prior five years (section
35 3); provides an advancement in state aid for districts with

1 increasing enrollment (sections 2, 3, 4, and 7); increases the
2 100 percent budget guarantee for the 1995-1996 budget year to
3 a 101 percent guarantee and provides for state payments for
4 the increase added to the budget as a result (section 5); and
5 provides state additional aid for transportation costs of a
6 school district that are in excess of 125 percent of the state
7 average transportation costs for all districts (section 6).

8 The bill takes effect upon enactment for budget years
9 beginning on or after July 1, 1995.

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