

MAR 10 1995  
Place On Calendar

HOUSE FILE 374  
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 223)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to funding for and the name of the national  
2 center for talented and gifted education.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 257B.1A, Code 1995, is amended to read  
2 as follows:

3 257B.1A TRANSFER OF INTEREST.

4 1. The department of revenue and finance shall transfer  
5 the interest earned on the permanent school fund to the first  
6 in the nation in education foundation and to the ~~national~~  
7 international center for gifted and talented education in the  
8 manner provided in this section.

9 2. For a transfer of interest earned to the first in the  
10 nation in education foundation, prior to July 1, October 1,  
11 January 1, and March 1 of each year, the governing board of  
12 the first in the nation in education foundation established in  
13 section 257A.2 shall certify to the director of revenue and  
14 finance the cumulative total value of contributions received  
15 under section 257A.7 for deposit in the fund and for the use  
16 of the foundation. ~~The cumulative total value of~~  
17 ~~contributions received includes the value of the amount~~  
18 ~~deposited in the national center endowment fund established in~~  
19 ~~section 263.8A in excess of eight hundred seventy five~~  
20 ~~thousand dollars.~~ The value of in-kind contributions shall be  
21 based upon the fair market value of the contribution  
22 determined for income tax purposes.

23 The portion of the permanent school fund that is equal to  
24 the cumulative total value of contributions, ~~less the portion~~  
25 ~~of the permanent school fund dedicated to the national center~~  
26 ~~for gifted and talented education,~~ is dedicated to the first  
27 in the nation in education foundation for that year. The  
28 interest earned on this dedicated amount shall be transferred  
29 by the department of revenue and finance to the credit of the  
30 first in the nation in education foundation.

31 3. For a transfer of interest earned to the ~~national~~  
32 international center endowment fund established in section  
33 263.8A, prior to July 1, October 1, January 1, and March 1 of  
34 each year, the state university of Iowa shall certify to the  
35 department of revenue and finance the cumulative total value

1 of contributions received and deposited in the national  
2 international center endowment fund. The department of  
3 revenue and finance shall dedicate the interest earned on a  
4 portion of the permanent school fund to the national  
5 international center in the manner provided in this  
6 subsection. The portion of the permanent school fund that is  
7 used to determine the dedicated amount of interest earned for  
8 a year shall equal one-half the cumulative total value of the  
9 contributions deposited in the national international center  
10 endowment fund, not to exceed eight hundred seventy-five  
11 thousand dollars. In addition, if the cumulative total value  
12 of contributions deposited in the international center  
13 endowment fund between July 1, 1995, and June 30, 1998, equals  
14 or exceeds one million three hundred fifty thousand dollars,  
15 effective July 1, 1998, the portion of the permanent school  
16 fund used to determine the dedicated amount of interest earned  
17 for a year shall also equal one-half that total, not to exceed  
18 six hundred seventy-five thousand dollars.

19 However, if, prior to July 1, 1998, the general assembly  
20 appropriates moneys for the international center endowment  
21 fund established in section 263.8A in an aggregate amount  
22 equal to eight hundred seventy-five thousand dollars, the  
23 transfer of the interest earned based upon the cumulative  
24 value of contributions equal to one million seven hundred  
25 fifty thousand dollars deposited in the international center  
26 endowment fund on July 1, 1995, is no longer required under  
27 this section. If, on or after July 1, 1998, the general  
28 assembly appropriates moneys for the international center  
29 endowment fund in an aggregate amount equal to six hundred  
30 seventy-five thousand dollars, the transfer of interest earned  
31 based upon the cumulative value of contributions equal to one  
32 million three hundred fifty thousand dollars deposited in the  
33 international center endowment fund between July 1, 1995, and  
34 June 30, 1998, is no longer required under this section.

35 Within fifteen days following certification by the state

1 university of Iowa, the department of revenue and finance  
2 shall transmit the interest earned on the dedicated amount to  
3 the state university of Iowa for the use of the ~~national~~  
4 international center for gifted and talented education.

5 ~~4. The remaining portion of the interest earned on the~~  
6 ~~permanent school fund shall become a part of the permanent~~  
7 ~~school fund.~~

8 Until the appropriations specified in subsection 3 have  
9 been made by the general assembly, fifty percent of the  
10 portion of the interest earned on the permanent school fund  
11 remaining after the total of the transfer of moneys to the  
12 first in the nation in education foundation pursuant to  
13 subsection 2 and the transfer of moneys to the international  
14 center endowment fund in subsection 3, shall in addition be  
15 transferred to the international center endowment fund and the  
16 remaining fifty percent shall become a part of the permanent  
17 school fund.

18 Sec. 2. Section 263.8A, Code 1995, is amended to read as  
19 follows:

20 263.8A ~~NATIONAL~~ INTERNATIONAL CENTER FOR TALENTED AND  
21 GIFTED EDUCATION.

22 The state board of regents shall establish and maintain at  
23 Iowa City as an integral part of the state university of Iowa  
24 the ~~national~~ international center for talented and gifted  
25 education. The ~~national~~ international center shall provide  
26 programs to assist classroom teachers to teach gifted and  
27 talented students in regular classrooms, provide programs to  
28 enhance the learning experiences of gifted and talented  
29 students, serve as a center for national and international  
30 symposiums and policy forums for enhancing the teaching of  
31 gifted and talented students, and undertake other appropriate  
32 activities to enhance the programs of the center, including,  
33 but not limited to, coordinating and working with the world  
34 council for gifted and talented children, incorporated.

35 ~~A national~~ An international center endowment fund is

1 established at the state university of Iowa and gifts and  
2 grants to the ~~national~~ international center and investment  
3 earnings and returns on the endowment fund shall be deposited  
4 in the fund and ~~interest-earned-on-moneys-in-the-fund~~ may be  
5 expended by the state university of Iowa for the purposes for  
6 which the ~~national~~ international center was established.

7 EXPLANATION

8 This bill changes the name of the national center for  
9 talented and gifted education to the international center for  
10 talented and gifted and provides for the discontinuation of  
11 the current allocation of a portion of the interest from the  
12 permanent school fund at such time as there is an  
13 appropriation of \$875,000 to the endowment fund of the  
14 international center. There is further authorization for a  
15 payment of a portion of the interest, if an additional  
16 \$1,350,000 is raised through private contributions to the  
17 international center endowment fund during a three-year period  
18 beginning July 1, 1995, until a matching \$675,000, on a one-  
19 to-two basis, has been appropriated by the general assembly.

20 The bill also expands the definition of the work of the  
21 center.

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**HOUSE FILE 374  
FISCAL NOTE**

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A fiscal note for **House File 374** 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.

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House File 374 does the following:

1. Changes the name of the national center for talented and gifted education to the international center for talented and gifted education. This refers to the Connie Belin National Center for Talented and Gifted Education located in Iowa City.
2. Increases the amount of interest the Center would receive from the Permanent School Fund. In FY 1994, the Center received \$78,115 in interest from the Fund. Under this Bill the Center would receive, in addition to the current allocation, one-half of the interest on the remaining uncommitted money in the Fund.
3. States that if the Center receives an appropriation of \$875,000 for an endowment from the General Fund prior to July 1, 1998, receipt of interest from the Permanent School Fund would cease.

**ASSUMPTIONS:**

1. The balance of the Permanent School Fund will be \$7.3 million on July 1, 1995.
2. The Fund will earn interest at a rate of 5.03% for total interest earnings of \$367,190 for FY 1996.

**FISCAL IMPACT:**

This Bill has no direct impact to the State General Fund. The Bill authorizes additional interest to be paid from the Permanent School Fund to the international center for talented and gifted education located in Iowa City.

Source: Department of Revenue and Finance

(LSB 2223hv, MAS)

FILED MARCH 28, 1995

BY DENNIS PROUTY, FISCAL DIRECTOR

Grubbs, Chair  
Lord  
Wise

EDUCATION ~~26~~  
By/

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
EDUCATION BILL BY CHAIR-  
PERSON GRUBBS)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
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