

4/10/95 Education

FILED MAR 16 1995

SENATE FILE 393
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 319)

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

A BILL FOR

1 An Act relating to school finance by increasing the foundation
2 base level for special education, providing for additional
3 enrollment for transportation costs based upon a sparsity
4 factor, and providing additional state aid for school
5 districts with schools which have a percentage of pupils
6 eligible for free or reduced price lunches in excess of the
7 state average, and making appropriations and providing
8 effective date provisions.

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

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S.F. 393

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 5, Code 1995, is amended
18 to read as follows:

19 5. WEIGHTED ENROLLMENT. Weighted enrollment is the budget
20 enrollment plus the district's additional enrollment because
21 of special education calculated on December 1 of the base year
22 plus additional pupils added due to the application of the
23 supplementary weighting plus the district's additional
24 enrollment for transportation costs based upon the sparsity
25 factor calculated under subsection 6.

26 Weighted enrollment for special education support services
27 costs is equal to the weighted enrollment minus the additional
28 pupils added due to the application of the supplementary
29 weighting.

30 Sec. 3. Section 257.6, Code 1995, is amended by adding the
31 following new subsection:

32 NEW SUBSECTION. 6. SPARSITY FACTOR. For budget years
33 beginning on or after July 1, 1996, a school district having
34 fewer than three and five-tenths public school pupils per
35 square mile on December 1 of the base year shall receive

1 additional enrollment for transportation costs because of the
2 sparsity factor. This additional enrollment is equal to one-
3 tenth of the school district's actual enrollment.

4 Sec. 4. NEW SECTION. 257.50 ADDITIONAL AID FOR AT-RISK
5 PUPILS.

6 1. Beginning with school budget years commencing July 1,
7 1996, school districts shall receive additional state aid
8 based upon an above average percentage of pupils eligible for
9 free or reduced price lunches taught in a public school in the
10 district. A school district shall receive state aid for each
11 public school in which the percentage of pupils eligible for
12 the federal free and reduced price lunch program at the school
13 exceeds the state average percent for all schools in the
14 state. The department shall calculate the state average
15 percent by adding together every school's percent of pupils
16 eligible for the federal free and reduced lunch program and
17 dividing that total by the number of schools. Each school
18 district shall assist the department in identifying the
19 schools with above average percentages, and the information
20 shall be reported by the department to the department of
21 management by October 1 of each budget year.

22 2. The amount of additional state aid a school district
23 shall receive for a budget year equals the sum for all schools
24 in the district of the product of the applicable percent of
25 the district cost per pupil for that budget year multiplied by
26 the number of pupils identified and reported pursuant to
27 subsection 1 for each school whose percentage of such pupils
28 exceeds the state average percentage.

29 For purposes of this subsection, the "applicable percent"
30 equals one of the following:

31 a. If the school's percentage exceeds the state percentage
32 by more than one percentage point but less than twenty-five
33 percentage points, ten percent.

34 b. If the school's percentage exceeds the state percentage
35 by twenty-five percentage points but not more than fifty

1 percentage points, twenty percent.

2 c. If the school's percentage exceeds the state percentage
3 by fifty percentage points or more, thirty percent.

4 There is appropriated from the general fund of the state to
5 the department of management for each fiscal year an amount
6 sufficient to pay the additional state aid to school districts
7 under this section. The additional state aid shall be paid in
8 the manner provided in section 257.16, commencing with the
9 October 15 payment. Aid received by a school district under
10 this section shall be miscellaneous income.

11 3. The state aid received by a school district under this
12 section shall be used by the school district to provide at the
13 eligible schools short-term services in the support areas of
14 counseling, at-risk interventions, or accommodations needed to
15 be provided in a school setting to fulfill section 504 of the
16 federal Rehabilitation Act of 1973.

17 Sec. 5. EFFECTIVE DATES.

18 1. Section 1 of this Act, being deemed of immediate
19 importance, takes effect upon enactment for calculating state
20 foundation aid for school budget years commencing on or after
21 July 1, 1995.

22 2. Sections 2, 3, and 4 of this Act take effect January 1,
23 1996, for budget years commencing on or after that date.

24 EXPLANATION

25 The bill increases the foundation base level relating to
26 special education from 79 to 83 percent of the special
27 education support services cost per pupil and from 79 to 83
28 percent of the regular program cost per pupil for the portion
29 of weighted enrollment because of special education beginning
30 July 1, 1995.

31 The bill provides additional weighted enrollment for
32 transportation costs based upon a sparsity factor of 3.5
33 public school pupils per square mile of the school district
34 beginning July 1, 1996.

35 The bill also provides additional state aid for school

1 districts that have schools in which the percentage of pupils
2 who are eligible for free or reduced price lunch exceeds the
3 state average beginning July 1, 1996.

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**SENATE FILE 393
FISCAL NOTE**

A fiscal note for Senate File 393 as amended by S-3318 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.

Senate File 393 as amended by S-3318 creates a standing unlimited for transportation assistance aid to school districts whose average transportation costs per pupil exceed the State average transportation cost per pupil by 100.0%. The bill also changes the parental reimbursement for nonpublic school student transportation.

ASSUMPTIONS:

1. Fiscal Year 1994 transportation cost and FY 1994 parental reimbursements are used to calculate the fiscal estimate for FY 1996.
2. The State average transportation cost per pupil is \$141.17.
3. School districts will receive transportation assistance aid if the district's average transportation cost per pupil exceeds \$282.34.

FISCAL EFFECT

Senate File 393 as amended by S-3318 appropriates an estimated \$989,000 in FY 1996 from the General Fund for transportation assistance aid. The change in parental reimbursement for nonpublic school student transportation is estimated to cost an additional \$2,100.

(LSB 2402sv.2, JAS)

FILED APRIL 4, 1995

BY DENNIS PROUTY, FISCAL DIRECTOR

**SENATE FILE 393
FISCAL NOTE**

A fiscal note for Senate File 393 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.

Senate File 393 increases the special education foundation level from 79.0% to 83.0% in FY 1996. The Bill provides additional weighted enrollment of 10.0% of actual enrollment for transportation costs based upon a sparsity factor of 3.5 public school pupils per square mile beginning in FY 1997. The Bill also provides additional State aid for school districts that have schools in which the percentage of pupils eligible for free or reduced-price lunches exceeds the State average beginning in FY 1997.

ASSUMPTIONS:

1. Allowable growth is 3.5% for FY 1996 and 3.3% for FY 1997.
2. The FY 1996 taxable valuation will increase 2.25% over FY 1995 levels and 0.0% increase for FY 1997.
3. The FY 1996 basic enrollment increases 3,583 (0.72%) compared to FY 1995 and 0.0% for FY 1997.
4. The FY 1996 special education weighted enrollment increases 5.5% compared to FY 1995.
5. Estimates are based on 390 school districts, the six districts reorganizing in FY 1996 are estimated separately.
6. For the transportation assistance, 137 districts would have less than 3.5 pupils per square mile with an enrollment of 52,871.
7. For the additional aid for at-risk pupils, the State average percent of pupils eligible for the federal free and reduced-price lunch program is 26.25%. Of the 390 school districts, 219 school districts would be below or at the State average of 26.25%, 167 school districts would be between 26.25% and 50.25% with 77,689 students on free and reduced-price lunch program, 6 school districts would be between 50.25% and 75.25% with 1,147 students on free and reduced-price lunch program, and no school districts would be above 75.25%. The 167 school districts would receive 10.0% of the district cost per pupil times the number of identified pupils and the 6 school districts would receive 20.0% of the district cost per pupil times the number of identified pupils.
8. The State cost per pupil of \$3,626 for FY 1996 and \$3,746 for FY 1997 is used as the district cost per pupil.

FISCAL EFFECT

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Senate File 393 is estimated to increase FY 1996 State aid \$10.1 million and reduce property taxes by \$10.1 million due to increasing the special education foundation level from 79.0% to 83.0%.

The Bill is estimated to increase FY 1997 weighted enrollment by 5,287 for transportation assistance aid. This is estimated to increase FY 1997 State aid by \$16.4 million and property tax by \$3.4 million for transportation assistance aid in 137 school districts.

The Bill is also estimated to increase FY 1997 State aid by \$30.0 million for additional aid for at-risk pupils. This includes \$375 for 77,689 identified pupils in 167 school districts and \$749 for 1,147 identified pupils in 6 school districts.

(LSB 2402sv, JAS)

FILED MARCH 28, 1995

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 393

S-3318

1 Amend Senate File 393 as follows:
2 1. By striking everything after the enacting
3 clause and inserting the following:
4 "Section 1. NEW SECTION. 257.50 TRANSPORTATION
5 ASSISTANCE AID TO DISTRICTS.
6 1. The department shall pay transportation
7 assistance aid to a school district from funds
8 appropriated in this section to school districts whose
9 average transportation costs per pupil exceed the
10 state average transportation costs per pupil
11 determined under subsection 2 by one hundred percent.
12 2. A district's average transportation costs per
13 pupil shall be determined by dividing the district's
14 actual cost for all children transported in all school
15 buses for a school year pursuant to section 285.1,
16 subsection 12, less the amount received for
17 transporting nonpublic school pupils under section
18 285.1, by the district's actual enrollment for the
19 school year, less the shared-time enrollment for the
20 school year, as defined in section 257.6. The state
21 average transportation costs per pupil shall be
22 determined by dividing the total actual costs for all
23 children transported in all districts for a school
24 year, by the total of all districts' actual
25 enrollments for the school year.
26 3. To be eligible for transportation assistance
27 aid, a school district shall annually certify its
28 actual cost for all children transported in all school
29 buses not later than July 31 after each school year on
30 forms prescribed by the department of education.
31 4. If a school district's average transportation
32 costs per pupil exceed the state average
33 transportation costs per pupil by one hundred percent,
34 the department of education shall pay transportation
35 assistance aid equal to the amount of the difference
36 multiplied by the district's actual enrollment for the
37 school year less the shared-time enrollment for the
38 school year as defined in section 257.6.
39 5. There is appropriated from the general fund of
40 the state to the department of education, for each
41 fiscal year, an amount necessary to pay transportation
42 assistance aid pursuant to this section.
43 Transportation assistance aid is miscellaneous income
44 for purposes of chapter 257.
45 Sec. 2. Section 285.3, code 1995, is amended by
46 striking the section and inserting in lieu thereof the
47 following:
48 285.3 PARENTAL REIMBURSEMENT FOR NONPUBLIC SCHOOL
49 STUDENT TRANSPORTATION.
50 1. A parent or legal guardian of a nonpublic

S-3318

-1-

S-3318

Page 2

1 school student, who furnishes transportation to the
2 student pursuant to section 285.1, shall notify the
3 resident public school district that the child is
4 enrolled and attending an accredited nonpublic school.
5 In addition, the parent or legal guardian shall
6 provide the name, age, and grade level of the student,
7 and the name of the accredited nonpublic school and
8 its location. The resident district shall submit
9 claims on behalf of a parent or legal guardian of a
10 nonpublic school student by February 1 and July 15 of
11 each school year unless the parent or legal guardian
12 fails to notify the district pursuant to this
13 subsection.

14 2. A parent or legal guardian of a nonpublic
15 school student who furnishes transportation for the
16 child pursuant to section 285.1 is entitled to
17 reimbursement equal to an amount calculated under the
18 provisions of section 285.1, subsection 3. In
19 addition, nonpublic school parents or legal guardians
20 who transport one or more family members more than
21 four miles to their accredited nonpublic schools of
22 attendance shall be entitled to one supplemental
23 mileage payment per family, per claim period, equal to
24 fifteen percent of the parental reimbursement amount,
25 rounded to the nearest whole dollars, when calculated
26 under the provisions of section 285.1, subsection 3."

27 2. Title page, by striking lines 1 through 8 and
28 inserting the following: "An Act relating to
29 transportation assistance aid to a school district and
30 making an appropriation."

By TOM FLYNN

S-3318 FILED APRIL 3, 1995
DEFERRED

Connolly
Kibbie
Redfern

SSB 319
Education
Succeeded By
SENATE FILE 393
BY (PROPOSED COMMITTEE ON
EDUCATION BILL BY CHAIR-
PERSON CONNOLLY)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
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27 subsection 1 for each school whose percentage of such pupils
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