

JAN 17 1999

EDUCATION

HOUSE FILE 11

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KLEMME, HOFFMAN, HUSEMAN, RAECKER,
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LORD, LARSON, NELSON, BARRY,
BRADLEY, HAHN, BODDICKER, GARMAN,
SUKUP, and CORMACK

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

A BILL FOR

1 An Act providing for a one hundred one percent budget guarantee
2 | for school districts, and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 11

1 Section 1. Section 257.1, subsection 2, unnumbered
2 paragraph 3, Code 1999, is amended to read as follows:

3 For the budget year commencing July 1, ~~1995~~ 1999, the
4 department of management shall add the amount of the
5 additional budget adjustment computed in section 257.14,
6 subsection 2, to the combined foundation base.

7 Sec. 2. Section 257.14, Code 1999, is amended to read as
8 follows:

9 257.14 BUDGET ADJUSTMENT.

10 1. For the budget years commencing July 1, 1997, and July
11 1, 1998, and July 1, 1999, if the department of management
12 determines that the regular program district cost of a school
13 district for a budget year is less than the total of the
14 regular program district cost plus any adjustment added under
15 this section for the base year for that school district, the
16 department of management shall provide a budget adjustment for
17 that district for that budget year that is equal to the
18 difference.

19 2. For the budget year beginning July 1, ~~1995~~ 1999, if the
20 department of management determines that the regular program
21 district cost plus the budget adjustment computed under
22 subsection 1 of a school district is less than one hundred one
23 percent of the total of the regular program district cost plus
24 any adjustment added under this section for the base year for
25 that school district, the department of management shall
26 provide an additional budget adjustment for that budget year
27 that is equal to the difference.

28 Sec. 3. This Act, being deemed of immediate importance,
29 takes effect upon enactment.

30 EXPLANATION

31 This bill extends the budget guarantee provision currently
32 applicable to school districts for the budget year commencing
33 July 1, 1998, to the next succeeding budget year, commencing
34 July 1, 1999. The bill additionally provides, for the budget
35 year beginning July 1, 1999, that if a school district's

1 regular program district cost, with the budget guarantee
2 provision, is less than 101 percent of the regular program
3 district cost with the budget guarantee provision for the year
4 preceding the budget year, the department of management shall
5 provide an additional budget adjustment to reach the 101-
6 percent level. The bill provides that this additional budget
7 adjustment to reach the 101-percent level shall be added to
8 the combined foundation base, resulting in amounts guaranteed
9 between the 100 and 101 percent levels being fully comprised
10 of additional state aid. This effectively guarantees school
11 districts a regular program district cost of at least 101
12 percent of the previous year's level. The bill would take
13 effect upon enactment.

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