

MAR 10 1999

APPROPRIATIONS

HOUSE FILE 606  
BY WARNSTADT

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

A BILL FOR

1 An Act establishing a school infrastructure assistance program  
2 and providing a standing appropriation.

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

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HF 606

1 Section 1. NEW SECTION. 256.100 SCHOOL INFRASTRUCTURE  
2 ASSISTANCE PROGRAM.

3 1. There is appropriated from the rebuild Iowa  
4 infrastructure fund to the department of education for each  
5 fiscal year the sum of twenty million dollars for the school  
6 infrastructure assistance program, to be administered by the  
7 department.

8 2. A school district is eligible for school infrastructure  
9 assistance if all of the following requirements are met:

10 a. A voter-approved physical plant and equipment levy of  
11 at least one dollar per thousand dollars of assessed valuation  
12 is in place for the school district pursuant to section 298.2.

13 b. The board of directors of the school district has  
14 issued voter-authorized school bonds pursuant to section  
15 298.21, subsection 2, for erection, completion, or improvement  
16 of a building authorized for school purposes. The department  
17 shall adopt rules providing for eligibility of a school  
18 district that has proposed such a bond issue to be voted on by  
19 the electors in the district within the fiscal year,  
20 contingent upon approval of the bond issue.

21 3. The department shall allocate the moneys appropriated  
22 for a fiscal year pursuant to subsection 1 to eligible school  
23 districts that submit an application for assistance to the  
24 department by October 1 of the fiscal year. The department  
25 shall adopt rules concerning the contents of an application.

26 4. The department shall allocate moneys to an eligible  
27 school district in the proportion that the basic enrollment of  
28 the district bears to the sum of the basic enrollments of all  
29 eligible school districts. An eligible school district may  
30 receive funds under this section for up to ten years.

31 Assistance received by a school district under this section is  
32 miscellaneous income for purposes of chapter 257. Moneys  
33 allocated to a school district under this section shall be  
34 deposited in the district's capital project fund and used for  
35 erection, completion, or improvement of a building or

1 buildings authorized for school purposes.

2 5. The department shall adopt rules to administer this  
3 section.

4 Sec. 2. Section 298A.9, Code 1999, is amended to read as  
5 follows:

6 298A.9 CAPITAL PROJECT FUNDS.

7 A capital project fund must be established in any school  
8 corporation which issues bonds or other authorized  
9 indebtedness for capital projects or which initiates a capital  
10 project, or which receives grants or other funds for capital  
11 projects. Boards are authorized to establish more than one  
12 capital project fund as necessary. Any balance remaining in a  
13 capital project fund after the capital project is completed  
14 may be retained for future capital projects in accordance with  
15 the original purpose of the bond issue or voter-approved levy;  
16 or may be transferred, by board resolution, to the debt  
17 service fund, the physical plant and equipment levy fund, or  
18 other fund from which the surplus originated; or transferred  
19 to the general fund in accordance with section 278.1,  
20 subsection 5. Moneys received by a school district as school  
21 infrastructure assistance under section 256.100 shall be  
22 deposited in a capital project fund and shall be used by the  
23 district on a continuing basis for projects which comply with  
24 section 256.100.

25 EXPLANATION

26 This bill creates new Code section 256.100 to provide a  
27 standing appropriation to the department of education to be  
28 allocated to eligible school districts for school  
29 infrastructure assistance. A school district is eligible for  
30 assistance if the school district has a voter-approved  
31 physical plant and equipment levy of at least one dollar per  
32 \$1,000 of assessed valuation in the district and the district  
33 has approved a school bond issue for the erection, completion,  
34 or improvement of a school building.

35 The bill provides that eligible school districts may submit

1 an application for school infrastructure assistance by October  
 2 1 of a fiscal year. The department is to allocate assistance  
 3 moneys to an eligible school district that applies for  
 4 assistance in the proportion that the basic enrollment of the  
 5 district bears to the sum of the basic enrollments of all  
 6 eligible school districts that apply for assistance. A school  
 7 district may receive school infrastructure assistance for up  
 8 to 10 years.

9 The bill also provides that school infrastructure  
 10 assistance may be used by a school district for erection,  
 11 completion, or improvement of a school building. The  
 12 department is to adopt rules to administer the new section.

13 Code section 298A.9 is also amended to provide that moneys  
 14 received by a school district as school infrastructure  
 15 assistance under new Code section 256.100 shall be deposited  
 16 in a capital project fund and may be used by the district on a  
 17 continuing basis for projects which comply with Code section  
 18 256.100.

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