

House Study Bill 232

Bill Text

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1 1 Section 1. Section [257.20](#), subsection 2, paragraphs a and
1 2 b, Code 1999, are amended by striking the paragraphs and
1 3 inserting in lieu thereof the following:

1 4 a. However, for the fiscal year beginning July 1, 1999,
1 5 moneys appropriated under this subsection shall equal the
1 6 amount which would otherwise be appropriated as determined
1 7 under subsection 1 reduced by fifty percent of the difference
1 8 between the amount which would otherwise be appropriated as
1 9 determined under subsection 1 and the amount of moneys
1 10 appropriated as instructional support state aid for the budget
1 11 year beginning July 1, 1992. For the fiscal year beginning
1 12 July 1, 1999, the department of education shall prorate the
1 13 amount of the instructional support state aid provided to each
1 14 district.

1 15 b. A school district shall be authorized to levy an
1 16 additional amount of instructional support property tax in an
1 17 amount equivalent to the amount of instructional support state
1 18 aid it would otherwise have received but for the application
1 19 of paragraph "a" for the fiscal year beginning July 1, 1999.
1 20 The department of management shall calculate the amount of
1 21 additional instructional support property tax pursuant to
1 22 section 257.21.

1 23 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
1 24 immediate importance, takes effect upon enactment.

1 25 EXPLANATION

1 26 This bill provides for the removal of a statutory
1 27 limitation on state funding for the instructional support
1 28 program. As originally enacted, the instructional support
1 29 program permitted school districts to increase their budgets
1 30 by 10 percent through a combination of state and local funds,
1 31 with a state and local contribution ratio of approximately 25
1 32 and 75 percent, respectively. Subsequent legislation limited
1 33 the state appropriation to the amount appropriated as
1 34 instructional support state aid for the school budget year
1 35 commencing on July 1, 1992, and provided that amounts
2 1 distributed shall be prorated to each school district
2 2 participating in the program in the event that the limitation
2 3 was insufficient to fully fund the 25 percent state portion.
2 4 The bill removes this limitation.

2 5 The bill provides that the limitation removal will be
2 6 phased in over a two-year period. The bill provides that, for
2 7 the fiscal year beginning July 1, 1999, the amount
2 8 appropriated will be reduced by 50 percent of the difference
2 9 between the amount which would be appropriated without the
2 10 limitation and the level appropriated for the budget year
2 11 commencing July 1, 1992. The bill provides that this amount
2 12 will be prorated by the department of education. Beginning
2 13 with the next fiscal year, commencing July 1, 2000, the
2 14 removal of the statutory limitation would be fully phased in,
2 15 with no reduction.

2 16 The bill additionally provides that a school district will
2 17 be authorized to levy an additional amount of property tax in
2 18 an amount equivalent to the amount of instructional support
2 19 state aid it would otherwise have received but for the
2 20 reduction for the fiscal year beginning July 1, 1999. The
2 21 department of management will calculate the amount of the

2 22 additional property tax pursuant to the provisions of Code
2 23 section 257.21.
2 24 The bill takes effect upon enactment.
2 25 LSB 2087YC 78
2 26 rn/jw/5.3