

Redfern
Dvorsky
Gaskill

SSB-3184
Education

Succeeded By
SENATE FILE SE/HF 2351
BY (PROPOSED COMMITTEE ON
EDUCATION BILL BY
CHAIRPERSON REDFERN)

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

A BILL FOR

1 An Act establishing a fire safety fund as a revolving loan fund
2 for school districts and making an appropriation.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 297.37 FIRE SAFETY FUND.

2 1. A fire safety fund is created as a revolving loan fund
3 within the state treasury under the control of the department
4 of education. There is appropriated from the rebuild Iowa
5 infrastructure fund created in section 8.57, subsection 5, for
6 the fiscal year beginning July 1, 2000, and ending June 30,
7 2001, to the school budget review committee, notwithstanding
8 any other provision to the contrary, five million dollars, to
9 be used as provided in this section. The purpose of the fire
10 safety fund is to provide school districts in the state which
11 lack resources to address and remedy fire safety violations or
12 deficiencies with financial assistance in the form of no-
13 interest or low-interest loans.

14 2. A school district may use loan moneys received from the
15 fund to make school infrastructure improvements relating to
16 fire safety. In order to be eligible for moneys from the
17 fund, a school district shall have received an order or
18 citation from the state fire marshal, or a fire department
19 chief or fire prevention officer, for one or more fire safety
20 violations regarding a school facility, or the school
21 district, in the opinion of the state fire marshal, shall be
22 regarded as operating facilities subject to significant fire
23 safety deficiencies.

24 3. The school budget review committee shall award loans
25 from the fund to school districts which, in its discretion,
26 face the most severe violations or deficiencies, and which
27 demonstrate to the committee that the district lacks
28 sufficient financial resources from any other source to
29 address the violations or deficiencies. School districts
30 applying for moneys from the fund shall have developed and
31 submitted to the state fire marshal a written plan to remedy
32 the violations or deficiencies within a specified time frame.
33 Approval of the written plan by the state fire marshal shall
34 be obtained prior to receipt of moneys from the fund by a
35 school district. Application forms, submission dates for

1 applications and for written plans to remedy the violations or
2 deficiencies, and approval criteria shall be developed by the
3 department of education, in coordination with the state fire
4 marshal, and adopted by rule.

5 4. Moneys received from the fund by a school district
6 shall be repaid pursuant to a five-year repayment schedule
7 whereby no less than twenty percent of the amount received
8 shall be repaid annually, with full repayment after five
9 years. Interest shall not be charged on the principal balance
10 provided that a minimum of twenty percent of the total moneys
11 received from the fund is repaid by the district annually. A
12 school district may repay moneys received from the fund at a
13 rate exceeding twenty percent per year, at the school
14 district's discretion. If a school district does not make the
15 twenty percent per year repayment, the following shall apply:

16 a. If a school district has not repaid twenty percent of
17 the total moneys received from the fund within one year from
18 the date the moneys were initially received, interest shall be
19 charged on the principal balance in the amount of eight
20 percent per year, beginning in the second year of repayment.

21 b. A school district that initially repaid twenty percent
22 of the total moneys received from the fund within one year
23 from the date the moneys were received, but fails to maintain
24 a twenty percent annual repayment at some point thereafter,
25 shall be charged interest on the principal balance in the
26 amount of eight percent annually, beginning in the year
27 following a year in which less than twenty percent of the
28 outstanding balance was repaid.

29 5. Loans from the fire safety fund may be awarded by the
30 school budget review committee during the five-year period
31 beginning on the effective date of this Act. During that
32 five-year period, moneys remaining in the fund at the end of a
33 fiscal year shall not revert to any other fund but shall
34 remain available in the fund for the next fiscal year for
35 utilization in awarding additional loans. For the fiscal year

1 beginning July 1, 2005, and subsequent fiscal years, moneys
2 remaining in the fund at the end of a fiscal year, comprised
3 of unexpended amounts from the initial appropriation made
4 pursuant to subsection 1 and amounts repaid by school
5 districts pursuant to the repayment schedule contained in
6 subsection 4, shall annually revert to the rebuild Iowa
7 infrastructure fund until such time as all loans awarded from
8 the fund have been fully repaid.

9 6. The school budget review committee shall submit a
10 progress report on the number and amount of fire safety fund
11 applications approved and resulting fire and safety
12 improvements made to the general assembly by January 1, 2001.

13 EXPLANATION

14 This bill provides for the establishment of a fire safety
15 fund within the state treasury under the control of the
16 department of education to assist school districts lacking
17 adequate resources to address fire safety violations and
18 deficiencies. The fund would be a revolving loan fund,
19 consisting of a one-time appropriation of \$5 million to the
20 school budget review committee for the fiscal year beginning
21 July 1, 2000, from the rebuild Iowa infrastructure fund
22 created in section 8.57.

23 The bill provides that moneys received by a school district
24 may be utilized for the making of school infrastructure
25 improvements relating to fire safety. Eligible school
26 districts must have received an order or citation from the
27 state fire marshal, or a fire department chief or fire
28 prevention officer for one or more fire safety violations
29 regarding a school facility or the school district, in the
30 opinion of the state fire marshal, must be regarded as
31 operating facilities subject to significant fire safety
32 deficiencies.

33 The moneys in the fund will be loaned by the school budget
34 review committee to school districts which, in the committee's
35 discretion, face the most severe violations or deficiencies

1 and which demonstrate that they lack sufficient financial
2 resources from any other source to address them. School
3 districts applying for moneys will be required to receive
4 approval from the state fire marshal regarding a written plan
5 to remedy fire defects within a specified time frame.

6 The bill provides that moneys received by a school district
7 must be repaid pursuant to a five-year repayment schedule
8 requiring no less than 20 percent annual repayment of the
9 moneys initially received in order to avoid incurring an
10 interest charge. The bill applies an 8 percent interest rate
11 if the 20 percent annual repayment schedule is not adhered to.

12 The bill provides that loans may be awarded by the school
13 budget review committee during the five-year period beginning
14 on the effective date of the bill, and that during that five-
15 year period, moneys remaining in the fund at the end of a
16 fiscal year shall not revert to any other fund but shall
17 remain available in the fund for utilization in awarding
18 additional loans. The bill provides that for the fiscal year
19 beginning July 1, 2005, and subsequent fiscal years, moneys
20 remaining in the fund at the end of a fiscal year, comprised
21 of unexpended amounts from the initial appropriation and
22 amounts annually repaid by school districts pursuant to the
23 repayment schedule, shall annually revert to the rebuild Iowa
24 infrastructure fund until all loans awarded from the fund have
25 been fully repaid.

26 The bill additionally requires that the school budget
27 review committee submit a progress report on the number and
28 amount of fire safety fund applications approved and resulting
29 fire and safety improvements made to the general assembly by
30 January 1, 2001.

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2/28/00 approp.

FILED FEB 28 '00

SENATE FILE 2351
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 3184)

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SF 2351

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9 be used as provided in this section. The purpose of the fire
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31 submitted to the state fire marshal a written plan to remedy
32 the violations or deficiencies within a specified time frame.
33 Approval of the written plan by the state fire marshal shall
34 be obtained prior to receipt of moneys from the fund by a
35 school district. Application forms, submission dates for

1 applications and for written plans to remedy the violations or
2 deficiencies, and approval criteria shall be developed by the
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15 twenty percent per year repayment, the following shall apply:

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17 the total moneys received from the fund within one year from
18 the date the moneys were initially received, interest shall be
19 charged on the principal balance in the amount of eight
20 percent per year, beginning in the second year of repayment.

21 b. A school district that initially repaid twenty percent
22 of the total moneys received from the fund within one year
23 from the date the moneys were received, but fails to maintain
24 a twenty percent annual repayment at some point thereafter,
25 shall be charged interest on the principal balance in the
26 amount of eight percent annually, beginning in the year
27 following a year in which less than twenty percent of the
28 outstanding balance was repaid.

29 5. Loans from the fire safety fund may be awarded by the
30 school budget review committee during the five-year period
31 beginning on the effective date of this Act. During that
32 five-year period, moneys remaining in the fund at the end of a
33 fiscal year shall not revert to any other fund but shall
34 remain available in the fund for the next fiscal year for
35 utilization in awarding additional loans. For the fiscal year

1 beginning July 1, 2005, and subsequent fiscal years, moneys
2 remaining in the fund at the end of a fiscal year, comprised
3 of unexpended amounts from the initial appropriation made
4 pursuant to subsection 1 and amounts repaid by school
5 districts pursuant to the repayment schedule contained in
6 subsection 4, shall annually revert to the rebuild Iowa
7 infrastructure fund until such time as all loans awarded from
8 the fund have been fully repaid.

9 6. The school budget review committee shall submit a
10 progress report on the number and amount of fire safety fund
11 applications approved and resulting fire and safety
12 improvements made to the general assembly by January 1, 2001.

13 7. Notwithstanding section 8.57, subsection 5, there shall
14 be allocated to the department of public safety, division of
15 state fire marshal, from the funds appropriated pursuant to
16 subsection 1, the amount of one hundred thousand dollars
17 annually during the five-year period beginning on the
18 effective date of this Act. The funds shall be utilized
19 solely for the purpose of retaining an architect or
20 architectural firm to evaluate structures for which grant
21 application is made, to consult with school district
22 representatives and builders, to review construction drawings
23 and blueprints, and to perform related duties at the direction
24 of the state fire marshal to assure the best possible
25 utilization of moneys received from the fund by a school
26 district.

27 EXPLANATION

28 This bill provides for the establishment of a fire safety
29 fund within the state treasury under the control of the
30 department of education to assist school districts lacking
31 adequate resources to address fire safety violations and
32 deficiencies. The fund would be a revolving loan fund,
33 consisting of a one-time appropriation of \$5 million to the
34 school budget review committee for the fiscal year beginning
35 July 1, 2000, from the rebuild Iowa infrastructure fund

1 created in section 8.57.

2 The bill provides that moneys received by a school district
3 may be utilized for the making of school infrastructure
4 improvements relating to fire safety. Eligible school
5 districts must have received an order or citation from the
6 state fire marshal, or a fire department chief or fire
7 prevention officer for one or more fire safety violations
8 regarding a school facility or the school district, in the
9 opinion of the state fire marshal, must be regarded as
10 operating facilities subject to significant fire safety
11 deficiencies.

12 The moneys in the fund will be loaned by the school budget
13 review committee to school districts which, in the committee's
14 discretion, face the most severe violations or deficiencies
15 and which demonstrate that they lack sufficient financial
16 resources from any other source to address them. School
17 districts applying for moneys will be required to receive
18 approval from the state fire marshal regarding a written plan
19 to remedy fire defects within a specified time frame.

20 The bill provides that moneys received by a school district
21 must be repaid pursuant to a five-year repayment schedule,
22 requiring no less than 20 percent annual repayment of the
23 moneys initially received in order to avoid incurring an
24 interest charge. The bill applies an 8 percent interest rate
25 if the 20 percent annual repayment schedule is not adhered to.

26 The bill provides that loans may be awarded by the school
27 budget review committee during the five-year period beginning
28 on the effective date of the bill, and that during that five-
29 year period, moneys remaining in the fund at the end of a
30 fiscal year shall not revert to any other fund but shall
31 remain available in the fund for utilization in awarding
32 additional loans. The bill provides that for the fiscal year
33 beginning July 1, 2005, and subsequent fiscal years, moneys
34 remaining in the fund at the end of a fiscal year, comprised
35 of unexpended amounts from the initial appropriation and

1 amounts annually repaid by school districts pursuant to the
2 repayment schedule, shall annually revert to the rebuild Iowa
3 infrastructure fund until all loans awarded from the fund have
4 been fully repaid.

5 The bill additionally requires that the school budget
6 review committee submit a progress report on the number and
7 amount of fire safety fund applications approved and resulting
8 fire and safety improvements made to the general assembly by
9 January 1, 2001.

10 The bill further provides that out of the appropriation in
11 subsection 1 of the bill, \$100,000 shall annually be allocated
12 to the department of public safety, division of state fire
13 marshal, during the five-year period beginning on the
14 effective date of the bill. The bill provides that the funds
15 shall be utilized solely for the purpose of retaining an
16 architect or architectural firm for evaluation and
17 consultation purposes relating to school construction and
18 design, and to perform related duties at the direction of the
19 state fire marshal to ensure the best possible utilization of
20 moneys received from the fund.

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