

# House Study Bill 157

## Bill Text

PAG LIN

1 1 Section 1. Section [257.13](#), subsections 1 and 2, Code 2001,  
1 2 are amended to read as follows:  
1 3 1. For the school budget year beginning July 1,

~~2000~~

~~2001,~~

1 4 ~~and succeeding budget years,~~ if a district's actual enrollment  
1 5 for the budget year, determined under section 257.6, is  
1 6 greater than its budget enrollment for the budget year, the  
1 7 district shall be eligible to receive an on-time funding  
1 8 budget adjustment. The adjustment shall be in an amount equal  
1 9 to fifty percent of the difference between the actual  
1 10 enrollment for the budget year and the budget enrollment for  
1 11 the budget year, multiplied by the district cost per pupil.  
1 12 2. The board of directors of a school district that wishes  
1 13 to receive an on-time funding budget adjustment shall adopt a  
1 14 resolution to receive the adjustment and notify the school  
1 15 budget review committee by November 1,

~~2000~~

~~annually.~~ The

1 16 school budget review committee shall establish a modified  
1 17 allowable growth in an amount determined pursuant to  
1 18 subsection 1.

1 19 Sec. 2. Section [257.14](#), subsection 1, Code 2001, is  
1 20 amended to read as follows:

1 21 1. For the budget year commencing July 1,

~~2000~~

~~2001,~~ if

1 22 the department of management determines that the regular  
1 23 program district cost of a school district for a budget year  
1 24 is less than the total of the regular program district cost  
1 25 plus any adjustment added under this section for the base year  
1 26 for that school district, the school district shall be  
1 27 eligible to receive a budget adjustment for that district for  
1 28 that budget year up to an amount equal to the difference. The  
1 29 board of directors of a school district that wishes to receive  
1 30 a budget adjustment pursuant to this subsection shall

~~,~~

~~-~~

1 31

~~notwithstanding the public notice and hearing provisions of~~

~~-~~

1 32

~~chapter 24 or any other provision to the contrary, within~~

~~-~~

1 33

~~thirty days following April 6, 2000,~~

~~adopt a resolution to~~

1 34 receive the budget adjustment and

~~immediately~~

- shall, by April

1 35 1, 2001, notify the department of management of the adoption  
2 1 of the resolution and the amount of the budget adjustment to  
2 2 be received.

2 3 Sec. 3. Section 257.14, subsection 2, Code 2001, is  
2 4 amended by striking the subsection and inserting in lieu  
2 5 thereof the following:

2 6 2. For the budget year commencing July 1, 2002, and  
2 7 succeeding budget years, if the department of management  
2 8 determines that the regular program district cost of a school  
2 9 district for a budget year is less than one hundred one  
2 10 percent of the regular program district cost for the base year  
2 11 for that school district, a district shall be eligible for a  
2 12 budget adjustment corresponding to the following schedule:

2 13 a. For the budget year commencing July 1, 2002, the  
2 14 greater of the difference between the regular program district  
2 15 cost for the budget year and one hundred one percent of the  
2 16 regular program district cost for the base year, or eighty  
2 17 percent of the difference between the amount calculated  
2 18 pursuant to this paragraph "a" and the budget guarantee amount  
2 19 for which the school district was eligible for the budget year  
2 20 beginning July 1, 2001, pursuant to subsection 1.

2 21 b. For the budget year commencing July 1, 2003, the  
2 22 greater of the difference between the regular program district  
2 23 cost for the budget year and one hundred one percent of the  
2 24 regular program district cost for the base year, or sixty  
2 25 percent of the difference between the amount calculated  
2 26 pursuant to this paragraph "b" and the budget guarantee amount  
2 27 for which the school district was eligible for the budget year  
2 28 beginning July 1, 2001, pursuant to subsection 1.

2 29 c. For the budget year commencing July 1, 2004, the  
2 30 greater of the difference between the regular program district  
2 31 cost for the budget year and one hundred one percent of the  
2 32 regular program district cost for the base year, or forty  
2 33 percent of the difference between the amount calculated  
2 34 pursuant to this paragraph "c" and the budget guarantee amount  
2 35 for which the school district was eligible for the budget year  
3 1 beginning July 1, 2001, pursuant to subsection 1.

3 2 d. For the budget year commencing July 1, 2005, the  
3 3 greater of the difference between the regular program district  
3 4 cost for the budget year and one hundred one percent of the  
3 5 regular program district cost for the base year, or twenty  
3 6 percent of the difference between the amount calculated  
3 7 pursuant to this paragraph "d" and the budget guarantee amount  
3 8 for which the school district was eligible for the budget year  
3 9 beginning July 1, 2001, pursuant to subsection 1.

3 10 e. For the budget year commencing July 1, 2006, and each  
3 11 budget year thereafter, the difference between the regular  
3 12 program district cost for the budget year and one hundred one  
3 13 percent of the regular program district cost for the base  
3 14 year.

3 15 For the purposes of this subsection, a school district  
3 16 shall be eligible to apply the sixty, forty, and twenty  
3 17 percent provisions in paragraphs "b", "c", and "d", only if  
3 18 the school district received a budget adjustment for the  
3 19 budget year beginning July 1, 2002, based on the eighty  
3 20 percent provision in paragraph "a".

3 21 The board of directors of a school district that wishes to  
3 22 receive a budget adjustment pursuant to this subsection shall  
3 23 adopt a resolution to receive the budget adjustment and shall,  
3 24 by April 1, annually, notify the department of management of  
3 25 the adoption of the resolution and the amount of the budget  
3 26 adjustment to be received.

3 27 Sec. 4. EFFECTIVE DATE. Section 2 of this Act, being  
3 28 deemed of immediate importance, takes effect upon enactment.

3 29 EXPLANATION

3 30 This bill provides that for the school budget year  
3 31 beginning July 1, 2001, and succeeding budget years, if a  
3 32 school district's actual enrollment for the budget year is  
3 33 greater than its budget enrollment for the budget year, the  
3 34 school district is eligible to receive an on-time funding  
3 35 budget adjustment in the form of a modified allowable growth  
4 1 equal to 50 percent of the difference, multiplied by district  
4 2 cost per pupil. This extends the current on-time funding  
4 3 provision in Code section 257.13 for additional budget years.  
4 4 The bill provides that in order to receive the on-time funding  
4 5 budget adjustment, a school district board of directors must  
4 6 adopt a resolution and notify the school budget review  
4 7 committee by November 1, annually. Current law provides that  
4 8 a school district which determines that a need exists for  
4 9 additional on-time funding, beyond the on-time funding budget  
4 10 adjustment for which the district is eligible, can submit a  
4 11 request to the school budget review committee for additional  
4 12 modified allowable growth pursuant to the provisions of Code  
4 13 section 257.31.

4 14 The bill also provides for an extension of the 100 percent  
4 15 budget guarantee provision currently in effect for an  
4 16 additional school budget year. The bill provides that for the  
4 17 school budget year beginning July 1, 2001, if the department  
4 18 of management determines that the regular program district  
4 19 cost of a school district for a budget year is less than its  
4 20 regular program district cost with the budget guarantee  
4 21 provision for the year preceding the budget year, the school  
4 22 district is eligible to receive a budget adjustment up to an  
4 23 amount equal to the difference. The bill provides that a  
4 24 school district board of directors that wishes to receive this  
4 25 budget adjustment shall adopt a resolution to receive the  
4 26 adjustment and, by April 1, 2001, notify the department of  
4 27 management of the adoption of the resolution and the amount of  
4 28 the budget adjustment to be received.

4 29 The bill provides for changes with respect to the budget  
4 30 guarantee provision for the school budget year beginning July  
4 31 1, 2002, and succeeding budget years. The bill provides that  
4 32 if the department of management determines that the regular  
4 33 program district cost of a school district for a budget year  
4 34 is less than its regular program district cost without the  
4 35 budget guarantee provision for the year preceding the budget  
5 1 year, the school district will be eligible to receive a budget  
5 2 adjustment of up to 101 percent of the regular program  
5 3 district cost for the year preceding the budget year. This  
5 4 increases the budget guarantee amount from 100 percent to 101  
5 5 percent, but removes the provision that a school district is  
5 6 guaranteed an amount equivalent to its previous year's regular  
5 7 program district cost with the budget guarantee received in  
5 8 that year included. The bill provides, however, that for the  
5 9 budget year beginning July 1, 2002, a school district shall be  
5 10 eligible to receive up to the greater of either the 101  
5 11 percent guarantee amount or 80 percent of the difference  
5 12 between the 101 percent guarantee amount and the budget  
5 13 guarantee amount for which the school district was eligible  
5 14 for the budget year beginning July 1, 2001, when the budget  
5 15 guarantee amount received in the prior year was included in  
5 16 the guaranteed amount. The bill provides that this percentage  
5 17 is reduced each succeeding budget year, until for the budget  
5 18 year beginning July 1, 2006, a school district is eligible  
5 19 solely for up to a 101 percent guarantee if the regular  
5 20 program district cost for the budget year is less than the  
5 21 regular program district cost for the preceding year without  
5 22 the addition of the guaranteed amount for that year. The bill  
5 23 provides that the option of utilizing the 60, 40, and 20  
5 24 percent provisions is available only if a school district  
5 25 utilized the 80 percent provision for the school budget year  
5 26 beginning July 1, 2002. The bill provides that for the school

5 27 budget year beginning July 1, 2002, and succeeding budget  
5 28 years, the board of directors of a school district that wishes  
5 29 to receive a budget adjustment shall adopt a resolution and  
5 30 notify the department of management of the adoption of the  
5 31 resolution and the amount of the budget adjustment to be  
5 32 received by April 1, annually.  
5 33     The bill takes effect upon enactment.  
5 34 LSB 2382YC 79  
5 35 rn/cf/24.1