

FEB 19 2003

EDUCATION

HOUSE FILE 243

BY SHOULTZ

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act providing reorganization incentives for specified school  
2 districts through state funding of transportation costs, and  
3 making an appropriation.

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

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HF 243

1 Section 1. NEW SECTION. 257.11B REORGANIZATION  
2 INCENTIVES -- TRANSPORTATION FUNDING.

3 1. For the school budget year beginning July 1, 2004, and  
4 succeeding budget years, a school district which undergoes a  
5 reorganization or dissolution effective on or after July 1,  
6 2004, and which contains as a portion of the reorganized  
7 district one or more school districts which had a certified  
8 enrollment of fewer than two hundred fifty pupils in the year  
9 preceding the reorganization or dissolution, shall be eligible  
10 for additional state transportation funding as provided in  
11 this section.

12 2. The additional state transportation funding shall be  
13 received by a reorganized school district in an amount  
14 corresponding to the transportation costs required to be  
15 incurred for public and nonpublic school pupil transportation  
16 pursuant to chapter 285, for that portion or portions of the  
17 reorganized district referred to in subsection 1. State aid  
18 paid pursuant to this section shall be utilized to pay the  
19 cost of transportation attributable to the applicable portion  
20 or portions of the reorganized district either directly or to  
21 compensate for reimbursement expenses, and shall be reduced  
22 proportionately in the case of a pupil transported for less  
23 than a full school year due to relocation to another school  
24 district or change in enrollment status. A reorganized  
25 district shall annually certify mileage figures for the  
26 portion or portions of the district referred to in subsection  
27 1 to the department of management by the third Friday in  
28 September for use in budget calculations for the following  
29 budget year.

30 3. For the school budget year beginning July 1, 2004, and  
31 succeeding budget years, there is appropriated from amounts  
32 deposited in the road use tax fund pursuant to section 312.2,  
33 subsection 19, to the department of management for  
34 distribution to school districts an amount sufficient to pay  
35 the additional state transportation funding pursuant to this

1 section.

2 4. Additional transportation funding paid pursuant to this  
3 section is miscellaneous income and shall be paid together  
4 with, and shall not otherwise supplant, state foundation aid  
5 paid under section 257.16.

6 Sec. 2. Section 312.2, Code 2003, is amended by adding the  
7 following new subsection:

8 NEW SUBSECTION. 19. The treasurer of state, before making  
9 the allotments provided for in this section, shall credit  
10 annually from the road use tax fund to the department of  
11 management funds sufficient to pay the additional state  
12 transportation funding provided for in section 257.11B.  
13 Amounts credited pursuant to this subsection are appropriated  
14 to the department of management for the purposes designated in  
15 section 257.11B. Moneys credited under this subsection shall  
16 be taken from moneys credited to the road use tax fund under  
17 section 423.24.

18 EXPLANATION

19 This bill provides for additional state transportation  
20 funding as a reorganization incentive for specified school  
21 districts.

22 The bill provides that for the school budget year beginning  
23 July 1, 2004, and succeeding budget years, if a school  
24 district reorganizes or dissolves, and contains as a portion  
25 of the reorganized district one or more school districts which  
26 had a certified enrollment of fewer than 250 pupils in the  
27 year preceding the reorganization or dissolution, the district  
28 shall be eligible for additional state transportation funding.  
29 The bill provides that the amount of additional funding shall  
30 correspond to the transportation costs required to be incurred  
31 for public and nonpublic school pupil transportation pursuant  
32 to Code chapter 285 for that portion or portions of the  
33 reorganized district which had previously had a certified  
34 enrollment of fewer than 250 pupils. The bill provides that  
35 the additional funding shall be reduced proportionately in the

1 case of a pupil transported for less than a full school year  
2 due to relocation to another school district or change in  
3 enrollment status. The bill provides that a reorganized  
4 district shall annually certify mileage figures for the  
5 applicable portion or portions of the district for which  
6 transportation funding shall be received to the department of  
7 management by the third Friday in September for use in budget  
8 calculations for the following budget year.

9 The bill provides that the amount necessary to provide the  
10 additional funding shall be transferred from the road use tax  
11 fund pursuant to Code section 312.2 from motor vehicle use tax  
12 revenues and appropriated to the department of management for  
13 distribution to school districts.

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