

House Study Bill 114

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
EDUCATION BILL)

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

A BILL FOR

1 An Act relating to incentives for school district reorganizations
2 and shared operational functions, and making an appropriation.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1228XD 82
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1 1 Section 1. Section 257.3, subsection 2, paragraph d, Code
1 2 2007, is amended to read as follows:
1 3 d. For purposes of this section, a reorganized school
1 4 district is one which absorbs at least thirty percent of the
1 5 enrollment of the school district affected by a reorganization
1 6 or dissolved during a dissolution and in which action to bring
1 7 about a reorganization or dissolution is initiated by a vote
1 8 of the board of directors or jointly by the affected boards of
1 9 directors to take effect on or after July 1, ~~2002~~ 2007, and on
1 10 or before July 1, ~~2006~~ 2015. Each district which initiated,
1 11 by a vote of the board of directors or jointly by the affected
1 12 boards, action to bring about a reorganization or dissolution
1 13 to take effect on or after July 1, ~~2002~~ 2007, and on or before
1 14 July 1, ~~2006~~ 2015, shall certify the date and the nature of
1 15 the action taken to the department of education by January 1
1 16 of the year in which the reorganization or dissolution takes
1 17 effect. For a reorganization or dissolution that took effect
1 18 on or after July 1, 2002, and on or before July 1, 2006, the
1 19 reorganized school district shall continue to receive the
1 20 benefits of paragraphs "a" and "b" of this subsection for the
1 21 time specified in those paragraphs.

1 22 Sec. 2. Section 257.11, subsection 2, paragraph c, Code
1 23 2007, is amended by striking the paragraph and inserting in
1 24 lieu thereof the following:
1 25 c. Pupils attending class for all or a substantial portion
1 26 of a school day pursuant to a whole grade sharing agreement
1 27 executed under sections 282.10 through 282.12 shall be
1 28 eligible for supplementary weighting pursuant to this
1 29 subsection. A school district which executes a whole grade
1 30 sharing agreement and which adopts a resolution jointly with
1 31 other affected boards to study the question of undergoing a
1 32 reorganization or dissolution to take effect on or before July
1 33 1, 2014, shall receive a weighting of one-tenth of the
1 34 percentage of the pupil's school day during which the pupil
1 35 attends classes in another district, attends classes taught by
2 1 a teacher who is jointly employed under section 280.15, or
2 2 attends classes taught by a teacher who is employed by another
2 3 school district. A district shall be eligible for
2 4 supplementary weighting pursuant to this paragraph for a
2 5 maximum of three years. Receipt of supplementary weighting
2 6 for a second and third year shall be conditioned upon
2 7 submission of information resulting from the study to the
2 8 school budget review committee indicating progress toward the
2 9 objective of reorganization on or before July 1, 2014.

2 10 Sec. 3. Section 257.11, subsection 5, paragraph a, Code
2 11 2007, is amended to read as follows:
2 12 a. For the school budget year beginning July 1, 2002, ~~and~~
~~2 13 succeeding budget years through the school budget year~~
~~2 14 beginning July 1, 2007,~~ in order to provide additional funds
2 15 for school districts in which a regional academy is located, a
2 16 supplementary weighting plan for determining enrollment is
2 17 adopted.

2 18 Sec. 4. Section 257.11, Code 2007, is amended by adding
2 19 the following new subsection:

2 20 NEW SUBSECTION. 5A. SHARED OPERATIONAL FUNCTIONS ==

2 21 INCREASED STUDENT OPPORTUNITIES.

2 22 a. In order to provide additional funding to increase
2 23 student opportunities for school districts that share
2 24 operational functions, a supplementary weighting of two
2 25 hundredths per pupil shall be assigned to pupils enrolled in a
2 26 district that shares with a political subdivision one or more
2 27 operational functions in the areas of superintendent
2 28 management, business management, human resources,
2 29 transportation, or operation and maintenance for at least
2 30 twenty percent of the school year. The additional weighting
2 31 shall be assigned for each discrete operational function
2 32 shared. For the purposes of this section, "political
2 33 subdivision" means a city, township, county, school
2 34 corporation, merged area, area education agency, institution
2 35 governed by the state board of regents, or any other
3 1 governmental subdivision.

3 2 b. Supplementary weighting pursuant to this subsection
3 3 shall be available to a school district for a maximum of five
3 4 years during the period commencing with the budget year
3 5 beginning July 1, 2008, through the budget year beginning July
3 6 1, 2014. The minimum amount of additional weighting for which
3 7 a school district shall be eligible is an amount equivalent to
3 8 ten additional pupils, and the maximum amount of additional
3 9 weighting for which a school district shall be eligible is an
3 10 amount equivalent to forty additional pupils. Receipt of
3 11 supplementary weighting by a school district pursuant to this
3 12 subsection for more than one year shall be contingent upon the
3 13 annual submission of information by the district to the
3 14 department documenting cost savings directly attributable to
3 15 the shared operational functions. Criteria for determining
3 16 the number of years for which supplementary weighting shall be
3 17 received pursuant to this subsection, subject to the five-year
3 18 maximum, and for determining qualification of operational
3 19 functions for supplementary weighting shall be determined by
3 20 the department by rule, through consideration of long-term
3 21 savings by the school district or increased student
3 22 opportunities.

3 23 c. This subsection is repealed effective June 30, 2015.

3 24 Sec. 5. Section 257.11A, Code 2007, is amended to read as
3 25 follows:

3 26 257.11A SUPPLEMENTARY WEIGHTING AND SCHOOL REORGANIZATION.

3 27 1. In determining weighted enrollment under section 257.6,
3 28 if the board of directors of a school district has approved a
3 29 contract for sharing pursuant to section 257.11 and the school
3 30 district has approved an action to bring about a
3 31 reorganization to take effect on and after July 1, ~~2002~~ 2007,
3 32 and on or before July 1, ~~2006~~ 2015, the reorganized school
3 33 district shall include, for a period of three years following
3 34 the effective date of the reorganization, additional pupils
3 35 added by the application of the supplementary weighting plan,
4 1 equal to the pupils added by the application of the
4 2 supplementary weighting plan in the year preceding the
4 3 reorganization. For the purposes of this subsection, the
4 4 weighted enrollment for the period of three years following
4 5 the effective date of reorganization shall include the
4 6 supplementary weighting in the base year used for determining
4 7 the combined district cost for the first year of the
4 8 reorganization. However, the weighting shall be reduced by
4 9 the supplementary weighting added for a pupil whose residency
4 10 is not within the reorganized district.

4 11 2. For purposes of this section, a reorganized district is
4 12 one in which the reorganization was approved in an election
4 13 pursuant to sections 275.18 and 275.20 and takes effect on or
4 14 after July 1, ~~2002~~ 2007, and on or before July 1, ~~2006~~ 2014.
4 15 Each district which initiates, by a vote of the board of
4 16 directors or jointly by the affected boards, action to bring
4 17 about a reorganization or dissolution to take effect on or
4 18 after July 1, ~~2002~~ 2007, and on or before July 1, ~~2006~~ 2014,
4 19 shall certify the date and the nature of the action taken to
4 20 the department of education by January 1 of the year in which
4 21 the reorganization or dissolution takes effect.

~~4 22 3. Notwithstanding subsection 1, a school district which
4 23 was participating in a whole grade sharing arrangement during
4 24 the budget year beginning July 1, 2001, and which received a
4 25 maximum of two years of supplementary weighting pursuant to
4 26 section 257.11, subsection 2, paragraph "c", shall include
4 27 additional pupils added by the application of the
4 28 supplementary weighting plan, equal to the pupils added by the
4 29 application of the supplementary weighting plan in the year
4 30 preceding the reorganization, for a period of four years~~

~~4 31 following the effective date of the reorganization.~~

~~4 32 4- 3. A school district shall be eligible for a combined
4 33 maximum total of six years of supplementary weighting under
4 34 the provisions of this section and section 257.11, subsection
4 35 2, paragraph "c". A school district participating in a whole
5 1 grade sharing arrangement during the budget year beginning
5 2 July 1, 2001, that adopted a resolution jointly with other
5 3 affected boards to study the question of undergoing a
5 4 reorganization or dissolution to take effect on or after July
5 5 1, 2002, and on or before July 1, 2006, shall continue to
5 6 receive the supplementary weighting to which it was entitled
5 7 pursuant to the provisions of this section and section 257.11,
5 8 subsection 2, paragraph "c".~~

5 9 Sec. 6. SCHOOL SHARING AND EFFICENCIES IN OPERATION
5 10 PROCESS == APPROPRIATION. For the fiscal year beginning July
5 11 1, 2007, and ending June 30, 2008, there is appropriated from
5 12 the general fund of the state to the department of education
5 13 the following amount, or so much thereof as is necessary, to
5 14 be used for the purposes designated in this section:
5 15 \$ 400,000

5 16 The amount appropriated pursuant to this section shall be
5 17 utilized by the department to assist school districts in
5 18 implementing shared operational functions.

5 19 EXPLANATION

5 20 This bill makes changes related to incentives for school
5 21 district reorganization and dissolution and shared operational
5 22 functions between school districts and political subdivisions.

5 23 The bill continues financial incentives for school
5 24 districts to reorganize under Code chapter 257 through the
5 25 school year ending June 30, 2014. The bill leaves intact the
5 26 reduced uniform levy for schools that reorganized prior to
5 27 July 1, 2006.

5 28 The bill strikes the current whole grade sharing
5 29 arrangement, and replaces it with a modified and simplified
5 30 version. The new provision allows school districts that
5 31 execute a whole grade sharing agreement and adopt a resolution
5 32 to study the effect of undergoing a reorganization or
5 33 dissolution to take effect on or before July 1, 2014, to
5 34 weight one-tenth of a percentage of a student's school day
5 35 during which the student attends classes in another district,
6 1 is taught by a teacher jointly employed, or attends classes
6 2 taught by a teacher employed by another district. This
6 3 supplementary weighting is available for a total of three
6 4 years. However, the second and third year of supplementary
6 5 weighting funding is dependent upon the school district's
6 6 progress toward reorganization.

6 7 The bill provides an additional funding for regional
6 8 academies through the school budget year beginning July 1,
6 9 2007.

6 10 The bill offers financial and operational support to help
6 11 school districts reorganize, consolidate, or dissolve
6 12 efficiently without allowing fiscal barriers to get in the
6 13 way. A supplementary weighting of two hundredths per pupil
6 14 will be given to a district that shares with a political
6 15 subdivision one or more of its administrative management,
6 16 business management, human resources, transportation, or
6 17 operational and maintenance functions for at least 20 percent
6 18 of the year. A political subdivision means a city, township,
6 19 county, school corporation, merged area, area education
6 20 agency, board of regents institution, or any other government
6 21 subdivision. This supplementary weighting is available for
6 22 five years, with a minimum equivalent weighting of 10 pupils
6 23 and a maximum equivalent weighting of 40 pupils. After the
6 24 first year of supplementary weighting, the school district
6 25 must submit evidence of cost savings attributable to the
6 26 shared operational functions. This section will be repealed
6 27 on June 30, 2015.

6 28 The bill also provides for supplementary weighting funding
6 29 for three years for a reorganized school district that is
6 30 equal to the funding that was received in the year preceding
6 31 the reorganization for a period. The bill leaves intact
6 32 supplementary weighting to schools that participated in whole
6 33 grade sharing and that eventually reorganized prior to July 1,
6 34 2006.

6 35 An appropriation of \$400,000 from the general fund is
7 1 provided to assist schools in implementing shared operational
7 2 functions.