SENATE FILE _____ BY ZIEMAN

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

A BILL FOR

1 An Act relating to the disposition of school property. 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: 3 TLSB 5240XS 82 4 ak/nh/5

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Section 1. Section 278.1, subsection 2, Code 2007, is 1 1 2 amended to read as follows: 1 2. Direct Except when prohibited by section 297.25, direct 1 3 1 4 the sale, lease, or other disposition of any schoolhouse or 5 school site or other property belonging to the corporation, 1 1 6 and the application to be made of the proceeds thereof -7 provided, however, that. However, nothing herein in this <u>8 section</u> shall be construed to prevent the sale independent <u>9 action by the board of directors of the corporation to sell</u>, 1 10 lease, exchange, gift<u>, or</u> grant and acceptance, or otherwise 11 dispose of any interest in real or other property by the board 1 12 of directors without an election of the corporation to the 1 13 extent authorized in section 297.22. For the purposes of this 1 14 subsection, "dispose" or "disposition" includes the exchange, 1 15 transfer, demolition, or destruction of any real or other 1 16 property of the corporation. 1 17 Sec. 2. Section 297.22, subsection 1, Code 2007, is 1 18 amended to read as follows: 1 19 1. <u>a.</u> The board of directors of a school district may 1 20 sell, lease, or dispose of, in whole or in part, a 1 21 schoolhouse, <u>school</u> site, or other property belonging to the 1 22 district. If the real property contains less than two acres, 1 23 is located outside of a city, is not adjacent to a city, and 1 24 was previously used as a schoolhouse site, the procedure 1 25 contained in sections 297.15 through 297.20 shall be followed 1 26 in lieu of this section. 1 27 b. Proceeds from the sale or disposition of real property 1 28 shall be placed in the physical plant and equipment levy fund. 1 29 Proceeds from the sale or disposition of property other than 1 30 real property shall be placed in the general fund. Proceeds 1 31 from the lease of real or other property shall be placed in 1 32 the general fund. 33 <u>c.</u> Before the board of directors may sell, lease for a 34 period in excess of one year, or dispose of any property 35 belonging to the school, the board shall hold a public hearing 1 1 1 1 on the proposal. The board shall set forth its proposal in a 2 resolution and shall publish notice of the time and the place 2 2 3 of the public hearing on the resolution. The notice shall 2 4 also describe the property. A locally known address for real 5 property may be substituted for a legal description of real 2 2 6 property contained in the resolution. Notice of the time and 7 place of the public hearing shall be published at least once 2 2 8 not less than ten days but not more than twenty days prior to 9 the date of the hearing in a newspaper of general circulation 2 2 2 10 in the district. After the public hearing, the board may make 2 11 a final determination on the proposal contained in the 2 12 resolution. 2 13 d. However, property having a value of not more than five 2 14 thousand dollars, other than real property, may be disposed of 2 15 by any procedure which is adopted by the board and each sale 2 16 shall be published by at least one insertion each week for two 2 17 consecutive weeks in a newspaper having general circulation in 2 18 the district. 2 19 e. For the purposes of this subsection, "dispose" or 20 "disposition" includes the exchange, transfer, demolition, or 21 destruction of any real or personal property of the school

22 district. Sec. 3. Section 297.25, Code 2007, is amended to read as 2 23 2 24 follows: 2 25 297.25 RULE OF CONSTRUCTION. 2 26 Section 297.22 shall be construed as independent of the 2 27 power vested in the electors by section 278.1, and as 2 28 additional to such power. <u>If a board of directors has</u> 2 29 exercised its independent power under section 297.22 regarding 2 30 the disposition of real or personal property of the school 31 district and has by resolution approved such action, the 32 electors may not subsequently proceed to exercise their power 33 under section 278.1 for a purpose directly contrary to an <u>2 34 action previously approved by the board of directors in</u> 2 3 3 <u>35 accordance with section 297.22. Such prohibition on electors</u> <u>1 exercising their power in regard to an action by the board</u> 2 shall expire at the end of the same calendar year that the 3 board approved an action unless the action itself includes a <u>4 specific time frame.</u> 3 EXPLANATION 3 6 This bill relates to the disposition of school property. 3 7 The bill specifies that the board of directors of a school 3 8 district may take independent action to dispose of any 3 9 interest in real or other property of the school corporation. 3 10 The bill states that, for the purposes of the bill, "dispose" 3 11 or "disposition" includes the exchange, transfer, demolition, 3 12 or destruction of any real or personal property of the school 3 13 district. The bill prohibits voters from exercising their 3 14 power to direct the disposition of school district property 3 15 for any purpose directly contrary to an action previously 3 16 approved by the board of directors under Code section 297.22 3 17 regarding real or personal property of the school district. 3 18 Such prohibition on electors exercising their power in regard 3 19 to an action by the board shall expire at the end of the same 3 20 calendar year that the board approved an action unless the 3 21 action itself includes a specific time frame. 3 22 LSB 5240XS 82

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