

Senate File 2218 - Introduced

SENATE FILE _____
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 3072)

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

A BILL FOR

1 An Act allowing the director of the department of education to
2 withhold certain state funding from school districts, area
3 education agencies, and community colleges when required
4 report submissions are late.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 5335SV 82
7 ak/sc/5

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1 1 Section 1. Section 256.9, subsection 18, Code Supplement
1 2 2007, is amended to read as follows:
1 3 18. a. Prepare forms and procedures as necessary to be
1 4 used by area education agency boards, district boards, school
1 5 officials, principals, teachers, and other employees, and to
1 6 insure uniformity, accuracy, and efficiency in keeping records
1 7 in both pupil and cost accounting, the execution of contracts,
1 8 and the submission of reports, ~~and notify.~~
1 9 b. (1) Notify the area education agency board, district
1 10 board, or school authorities when a report has not been filed
1 11 in the manner or on the dates prescribed by law or by rule
1 12 that the school will not be accredited until the report has
1 13 been properly filed.

1 14 (2) The director may withhold from a school district the
1 15 payment of state foundation aid under section 257.16,
1 16 subsection 2, if the school district has not filed a data or
1 17 information report with the department on the date prescribed
1 18 by law or by rule. The director may withhold up to ten
1 19 percent of the monthly payment if the submission is thirty
1 20 days late and may withhold up to twenty-five percent of
1 21 subsequent monthly payments until the report is filed. The
1 22 director shall notify the school district and the school
1 23 district board president of the intent to withhold state
1 24 foundation aid at least fifteen days prior to such action.
1 25 After the department has verified a school district has
1 26 submitted the required report, all withheld amounts shall be
1 27 distributed within sixty days and shall be included with a
1 28 regularly scheduled monthly payment.

1 29 Sec. 2. Section 260C.5, subsection 5, Code 2007, is
1 30 amended to read as follows:
1 31 5. a. Administer, allocate, and disburse federal or state
1 32 funds available to pay a portion of the operating costs of
1 33 community colleges.

1 34 b. The director may withhold from a community college the
1 35 payment of general state financial aid under section 260C.18C,
2 1 if the community college has not filed a data or information
2 2 report on the date prescribed by law or by rule. The director
2 3 may withhold up to ten percent of a monthly payment if the
2 4 submission is thirty days late and may withhold up to
2 5 twenty-five percent of subsequent monthly payments until the
2 6 report is filed. The director shall notify the community
2 7 college and the merged area board president of the intent to
2 8 withhold general state financial aid at least fifteen days
2 9 prior to such action. After the department has verified a
2 10 community college has submitted the required report, all
2 11 withheld amounts shall be distributed within sixty days and
2 12 shall be included with a regularly scheduled monthly payment.

2 13 Sec. 3. NEW SECTION. 273.14 REPORT DEADLINES ==
2 14 PENALTIES.

2 15 The director of the department of education may order a
2 16 school district to withhold from an area education agency

2 17 funds due under section 256B.9 or 273.9 if the area education
2 18 agency has not filed a data or information report on the date
2 19 prescribed by law or by rule. The director may order up to
2 20 ten percent of a monthly payment be withheld if the submission
2 21 is thirty days late and up to twenty-five percent of
2 22 subsequent monthly payments until the report is filed. The
2 23 director shall notify the president of the area education
2 24 agency board and the president of the school district board of
2 25 the order to withhold funds at least fifteen days prior to the
2 26 district taking such action. After the department has
2 27 verified an area education agency has submitted the required
2 28 report, all withheld amounts shall be distributed within sixty
2 29 days and may be included with a regularly scheduled monthly
2 30 payment.

2 31 EXPLANATION

2 32 This bill allows the director of the department of
2 33 education to enforce compliance with reporting and submission
2 34 deadlines from school districts, area education agencies
2 35 (AEAs), and community colleges. The bill allows the
3 1 department to withhold a part of state aid payments in an
3 2 effort to incentivize compliance with reporting requirements.
3 3 The bill also allows the department to order a school district
3 4 to withhold payments from AEAs to incentivize compliance. The
3 5 bill provides that a submission that is 30 days late would
3 6 allow the department, or a school district in the case of an
3 7 AEA, to withhold 10 percent of the monthly state aid amount
3 8 due the school district, community college, or AEA. If a
3 9 submission is 60 days late, the bill allows the department, or
3 10 school district, to withhold 25 percent of subsequent monthly
3 11 state aid amounts. The bill provides that once an entity
3 12 submits the required report, the withheld funds will be
3 13 distributed within 60 days and included with a regularly
3 14 scheduled monthly payment.
3 15 LSB 5335SV 82
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