

House Study Bill 23

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 assisting schools to recover from disaster by
2 changing the approval method for transfers of emergency fund
3 moneys, by modifying certain funding provisions to relate to
4 disaster recovery, and by allowing area education agency
5 boards greater authority to purchase and lease=purchase
6 property.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
8 TLSB 1254XD 83
9 ak/sc/14

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1 1 Section 1. Section 24.6, Code 2009, is amended to read as
1 2 follows:
1 3 24.6 EMERGENCY FUND == LEVY.
1 4 1. A municipality may include in the estimate required, an
1 5 estimate for an emergency fund. A municipality may assess and
1 6 levy a tax for the emergency fund at a rate not to exceed
1 7 twenty=seven cents per thousand dollars of assessed value of
1 8 taxable property of the municipality, ~~provided that. However,~~
1 9 an emergency tax levy shall not be made until the municipality
1 10 has first petitioned the state board and received its
1 11 approval.

1 12 2. a. Transfers of moneys may be made from the emergency
1 13 fund to any other fund of the municipality for the purpose of
1 14 meeting deficiencies in a fund arising from any cause,
1 15 ~~provided that. However,~~ a transfer shall not be made except
1 16 upon the written approval of the state board, and then only
1 17 when that approval is requested by a two=thirds vote of the
1 18 governing body of the municipality.

1 19 b. Notwithstanding the requirements of paragraph "a", if
1 20 the municipality is a school corporation, the school
1 21 corporation may transfer money from the emergency fund to any
1 22 other fund of the school corporation for the purpose of
1 23 meeting deficiencies in a fund arising from any cause.
1 24 However, a transfer shall not be made without the written
1 25 approval of the school budget review committee.

1 26 Sec. 2. Section 256.9, Code 2009, is amended by adding the
1 27 following new subsection:

1 28 NEW SUBSECTION. 61. Grant to public school districts and
1 29 accredited nonpublic schools waivers from statutory
1 30 obligations with which the entities cannot reasonably comply
1 31 due to a disaster as defined in section 29C.2, subsection 1.

1 32 Sec. 3. Section 257.31, subsection 7, paragraph a, Code
1 33 2009, is amended to read as follows:

1 34 a. The committee may authorize a district to spend a
1 35 reasonable and specified amount from its unexpended cash
2 1 balance for ~~either of~~ the following purposes:

2 2 (1) Furnishing, equipping, and contributing to the
2 3 construction of a new building or structure for which the
2 4 voters of the district have approved a bond issue as provided
2 5 by law or the tax levy provided in section 298.2.

2 6 (2) The costs associated with the demolition of an unused
2 7 school building, or the conversion of an unused school
2 8 building for community use, in a school district involved in a
2 9 dissolution or reorganization under chapter 275, if the costs
2 10 are incurred within three years of the dissolution or
2 11 reorganization.

2 12 (3) The costs associated with the demolition or repair of
2 13 a building or structure in a school district if such costs are
2 14 necessitated by, and incurred within two years of, a disaster
2 15 as defined in section 29C.2, subsection 1.

2 16 Sec. 4. Section 273.2, subsection 2, Code 2009, is amended
2 17 to read as follows:

2 18 2. An area education agency established under this chapter
2 19 is a body politic as a school corporation for the purpose of
2 20 exercising powers granted under this chapter, and may sue and
2 21 be sued. An area education agency may hold property and
2 22 execute purchase and lease-purchase agreements pursuant to
2 23 section 273.3, subsection 7, and if the ~~lease~~ lease-purchase
2 24 agreement exceeds ten years or the purchase price of the
2 25 property to be acquired pursuant to a purchase or
2 26 lease-purchase agreement exceeds twenty-five thousand dollars,
2 27 the area education agency shall conduct a public hearing on
2 28 the proposed purchase or lease-purchase agreement and receive
2 29 approval from the area education agency board of directors and
2 30 the director of the department of education before entering
2 31 into the agreement.

2 32 Sec. 5. Section 273.3, subsection 7, Code 2009, is amended
2 33 to read as follows:

2 34 7. Be authorized to ~~lease, purchase, or lease-purchase,~~
2 35 subject to the approval of the director of the department of
3 1 education and to receive by gift and operate and maintain
3 2 facilities and buildings necessary to provide authorized
3 3 programs and services. However, a lease for less than ten
3 4 years and with an annual cost of less than twenty-five
3 5 thousand dollars does not require the approval of the
3 6 director. ~~If a lease requires approval, the~~ The director
3 7 shall not approve ~~the~~ a lease, purchase, or lease-purchase
3 8 until the director is satisfied by investigation that public
3 9 school corporations within the area do not have suitable
3 10 facilities available.

3 11 Sec. 6. Section 298.3, Code 2009, is amended by adding the
3 12 following new subsection:

3 13 NEW SUBSECTION. 13. Demolition, clean up, and other costs
3 14 if such costs are necessitated by, and incurred within
3 15 eighteen months of, a disaster as defined in section 29C.2,
3 16 subsection 1.

3 17 Sec. 7. Section 423F.3, subsection 3, paragraph b, Code
3 18 2009, is amended to read as follows:

3 19 b. (1) If the board of directors intends to use funds for
3 20 purposes other than those listed in paragraph "a", or change
3 21 the use of funds to purposes other than those listed in
3 22 paragraph "a", the board shall adopt a revenue purpose
3 23 statement, subject to approval of the electors, listing the
3 24 proposed use of the funds.

3 25 (2) School districts shall submit the statement to the
3 26 voters no later than sixty days prior to the expiration of any
3 27 existing revenue purpose statement or change in use not
3 28 included in the existing revenue purpose statement.

3 29 (3) If a school district has been affected by a disaster,
3 30 as defined in section 29C.2, subsection 1, the district may
3 31 submit the statement to the voters no later than eighteen
3 32 months after the disaster occurred and subject to all other
3 33 requirements in this section.

3 34 EXPLANATION

3 35 This bill assists school districts and accredited nonpublic
4 1 schools to recover from a disaster as defined in Code section
4 2 29C.2(1).

4 3 Code section 24.6(2) is amended to allow a school
4 4 corporation to transfer funds from its emergency fund when the
4 5 school corporation has monetary deficiencies due to any cause.
4 6 However, the transfer must first be approved by the school
4 7 budget review committee.

4 8 Code section 256.9(61) is amended to allow the director of
4 9 the department of education to waive statutory obligations
4 10 that school districts and accredited nonpublic schools cannot
4 11 reasonably comply with due to a disaster.

4 12 Code section 257.31(7) is amended to allow the school
4 13 budget review committee to authorize a school district to
4 14 spend a reasonable and specified amount from its unexpended
4 15 cash balance for the costs of demolishing or repairing a
4 16 building or structure if such costs are necessitated by, and
4 17 incurred within two years of, a disaster.

4 18 Code sections 273.2(2) and 273.3(7) are amended to give
4 19 area education agencies the authorization to purchase and
4 20 lease-purchase facilities and buildings with the approval of
4 21 the director of the department of education.

4 22 Code section 298.3(13) is amended to permit funds from the
4 23 physical plant and equipment levy to be used for demolition,
4 24 clean up, and other costs necessitated by, and incurred within
4 25 18 months of, a disaster.

4 26 Code section 423F.3(3)(b) is amended to allow school

4 27 districts affected by a disaster to submit a revenue purpose
4 28 statement to the voters no more than 18 months after the
4 29 disaster in order to use funds from the secure an advanced
4 30 vision for education fund to recover from the disaster.
4 31 School districts submitting such a statement are still bound
4 32 by all the requirements of Code chapter 423F concerning the
4 33 secure an advanced vision for education fund.
4 34 LSB 1254XD 83
4 35 ak/sc/14.1