HOUSE FILE 2072 BY WILLEMS and COWNIE

A BILL FOR

- 1 An Act providing for the adjustment of state foundation aid
- 2 amounts payable to school districts based on a district's
- 3 advanced placement program.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 257.7, subsection 1, Code 2011, is
2 amended to read as follows:

3 1. Budgets. School districts are subject to chapter 24. 4 The authorized expenditures of a school district during a base 5 year shall not exceed the lesser of the budget for that year 6 certified under section 24.17 plus any allowable amendments 7 permitted in this section, or the authorized budget, which is 8 the sum of the combined district cost for that year <u>including</u> 9 <u>any adjustments required by section 257.16B</u>, the actual 10 miscellaneous income received for that year, and the actual 11 unspent balance from the preceding year.

12 Sec. 2. Section 257.10, subsection 8, paragraph a, Code
13 2011, is amended to read as follows:

a. (1) Combined district cost is the sum of the regular program district cost per pupil multiplied by the weighted enrollment, the special education support services district cost, the total teacher salary supplement district cost, the total professional development supplement district cost, and the total early intervention supplement district cost, plus the sum of the additional district cost allocated to the district to fund media services and educational services provided through the area education agency, the area education agency total teacher salary supplement district cost and the area education agency total professional development supplement supplement supplement district cost.

26 (2) For budget years beginning on or after July 1, 2014, 27 each school district's combined district cost for the purposes 28 of determining a school district's authorized expenditures 29 under section 257.7 shall be adjusted to reflect the adjustment 30 to the school district's state foundation aid under section 31 257.16B.

32 Sec. 3. <u>NEW SECTION</u>. 257.16B State foundation aid 33 adjustment — advanced placement students.

1. For budget years beginning on or after July 1, 2014, the 35 department of management shall, following the determination of

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LSB 5081YH (3) 84 md/sc 1 the total amount of state foundation aid payable to each school 2 district pursuant to section 257.16, subsection 1, adjust the 3 total amount of state foundation aid payable to each school 4 district as follows:

5 *a.* Each school district's total amount of state foundation 6 aid shall be reduced by an amount equal to the school 7 district's weighted enrollment divided by the total statewide 8 weighted enrollment, and then multiplied by fifteen million 9 dollars.

10 b. Following the reduction in paragraph "a", each school 11 district's resulting total amount of state foundation aid shall 12 be increased by an amount equal to the school district's total 13 number of advanced placement students divided by the total 14 number of advanced placement students in the state, and then 15 multiplied by fifteen million dollars.

16 2. The department of management shall notify each school 17 district of the amount of the adjustment to state foundation 18 aid under this section. Except for the adjustment to a 19 school district's combined district cost for the purposes 20 of determining a school district's authorized expenditures 21 under section 257.7, this section shall not result in the 22 recalculation of other state aid amounts or the recalculation 23 of any property tax levy for the budget year.

3. For purposes of this section, "advanced placement student" means a student who was enrolled in the school district during the school year preceding the base year, who was enrolled in one or more advanced placement courses during such school year as provided under section 261E.4, and who also achieved a score on the advanced placement examination for at least one such course of three or higher on the advanced placement five-point scale.

32 4. The department of education shall adopt rules under 33 chapter 17A necessary to implement this section, including 34 rules that prescribe all necessary reporting requirements for 35 school districts.

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EXPLANATION

2 This bill provides for an adjustment of state foundation 3 aid amounts to school districts based on participation in a 4 district's advanced placement program.

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5 Under the bill, for budget years beginning on or after July 6 1, 2014, the department of management is required to adjust 7 the total amount of state foundation aid payable to each 8 school district under the school foundation funding formula. 9 Each school district's total amount of state foundation aid 10 is first reduced by an amount equal to the school district's 11 weighted enrollment divided by the total statewide weighted 12 enrollment, and then multiplied by \$15 million. Each school 13 district's resulting total amount of state foundation aid is 14 then increased by an amount equal to the school district's 15 total number of advanced placement students divided by the 16 total number of advanced placement students in the state, and 17 then multiplied by \$15 million.

18 The bill defines "advanced placement student" to mean a 19 student who was enrolled in the school district during the 20 school year preceding the base year, who was enrolled in one 21 or more advanced placement courses during such school year 22 through direct instruction on-site, collaboration with another 23 school district, or through the online Iowa advanced placement 24 academy, and who also achieved a score on the advanced 25 placement examination for at least one such course of three or 26 higher on the advanced placement five-point scale.

The bill includes a requirement that each school district notified of the adjustments made under the bill and states that except for the adjustment to a school district's combined district cost for the purposes of determining a school district's authorized expenditures under Code section 257.7, the adjustments to state foundation aid do not result in the recalculation of other state aid amounts or the recalculation of any property tax levy for the budget year.

35 The bill requires the department of education to adopt

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LSB 5081YH (3) 84 md/sc 1 rules under Code chapter 17A necessary to implement the

2 bill, including rules that prescribe all necessary reporting

3 requirements for school districts.

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