HOUSE FILE 2255

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## A BILL FOR

- 1 An Act relating to school district funding for at-risk pupils
- 2 and dropout prevention programs and including applicability
- 3 provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 257.11, subsection 4, Code 2014, is
2 amended to read as follows:

3 4. At-risk programs and alternative schools.

In order to provide additional funding to school 4 a. 5 districts for programs serving at-risk pupils and alternative 6 school pupils in secondary schools, a supplementary weighting 7 plan for at-risk pupils is adopted. A supplementary weighting 8 of forty-eight six hundred forty-two ten-thousandths per pupil 9 shall be assigned to the percentage of pupils in a school 10 district enrolled in grades one through six, as reported by 11 the school district on the basic educational data survey for 12 the base year, who are eligible for free and reduced price 13 meals under the federal National School Lunch Act and the 14 federal Child Nutrition Act of 1966, 42 U.S.C. § 1751-1785, 15 multiplied by the budget enrollment in the school district; 16 and a supplementary weighting of one hundred fifty-six 17 one-hundred-thousandths two hundred four ten-thousandths 18 per pupil shall be assigned to pupils included in the budget 19 enrollment of the school district. Amounts received as 20 supplementary weighting for at-risk pupils shall be utilized 21 by a school district to develop or maintain at-risk pupils' 22 programs, which may include alternative school programs, and to 23 establish or maintain approved programs for returning dropouts 24 and dropout prevention under sections 257.38 through 257.41. b. Notwithstanding paragraph "a", a school district which 25

26 received supplementary weighting for an alternative high school 27 program for the school budget year beginning July 1, 1999, 28 shall receive an amount of supplementary weighting for the next 29 three school budget years as follows:

30 (1) For the budget year beginning July 1, 2000, the greater 31 of the amount of supplementary weighting determined pursuant to 32 paragraph "a", or sixty-five percent of the amount received for 33 the budget year beginning July 1, 1999.

34 (2) For the budget year beginning July 1, 2001, the greater
 35 of the amount of supplementary weighting determined pursuant to

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1 paragraph "a", or forty percent of the amount received for the 2 budget year beginning July 1, 1999. (3) For the budget year beginning July 1, 2002, and 3 4 succeeding budget years, the amount of supplementary weighting 5 determined pursuant to paragraph "a". c. If a school district receives an amount pursuant to 6 7 paragraph "b" which exceeds the amount the district would 8 otherwise have received pursuant to paragraph "a", the 9 department of management shall annually determine the amount 10 of the excess that would have been state aid and the amount 11 that would have been property tax if the school district had 12 generated that amount pursuant to paragraph "a", and shall 13 include the amounts in the state aid payments and property tax 14 levies of school districts. The department of management shall 15 recalculate the supplementary weighting amount received each 16 year to reflect the amount of the reduction in funding from one 17 budget year to the next pursuant to paragraph "b", subparagraphs 18 (1) through (3). It is the intent of the general assembly that 19 when weights are recalculated under this subsection, the total 20 amounts generated by each weight shall be approximately equal. 21 Sec. 2. Section 257.38, subsection 1, unnumbered paragraph 22 1, Code 2014, is amended to read as follows: 23 Boards of school districts, individually or jointly with 24 boards of other school districts, requesting to use a modified 25 supplemental amount amounts received as supplementary weighting 26 for at-risk pupils under section 257.11, subsection 4, for 27 programs for returning dropouts and dropout prevention, shall 28 submit, individually or jointly with boards of other school 29 districts, comprehensive program plans for the programs 30 and budget costs, including annual requests for a modified 31 supplemental amount for funding the programs, to the department 32 of education as a component of the comprehensive school 33 improvement plan submitted to the department pursuant to 34 section 256.7, subsection 21. The program plans shall include: Sec. 3. Section 257.40, Code 2014, is amended to read as 35

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1 follows:

2 257.40 Approval of programs for returning dropouts and
3 dropout prevention — annual report.

The board of directors of a school district 1. *a.* 4 5 requesting to use a modified supplemental amount amounts 6 received as supplementary weighting for at-risk pupils under 7 section 257.11, subsection 4, for programs for returning 8 dropouts and dropout prevention shall submit requests, 9 including requests for a modified at-risk supplemental amount, 10 including budget costs, if applicable, to the department not 11 later than December 15 of the year preceding the budget year 12 during which the program will be offered. The department shall 13 review the request and shall prior to January 15 either grant 14 approval for the request or return the request for approval 15 with comments of the department included. An unapproved 16 request for a program may be resubmitted with modifications 17 to the department not later than February 1. Not later than 18 February 15, the department shall notify the department of 19 management and the school budget review committee of the names 20 of the school districts for which programs using a modified 21 supplemental amount amounts received as supplementary weighting 22 for at-risk pupils under section 257.11, subsection 4, for 23 funding have been approved and the approved budget of each 24 program listed separately for each school district having 25 an approved request. The department shall also notify the 26 department of management of the names of the school districts 27 for which programs using a modified supplemental amount have 28 been approved pursuant to paragraph "b''. 29 b. (1) For budget years beginning on or after July 1, 2015, 30 the department shall not approve a modified supplemental amount 31 for a school district for programs for returning dropouts and 32 dropout prevention unless subparagraph (2) is applicable to the 33 school district.

34 (2) Each school district for which the remainder of the 35 amount received as supplementary weighting under section

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1 257.11, subsection 4, for the budget year minus the amount 2 that would have been received as supplementary weighting by 3 the school district for the budget year under section 257.11, 4 subsection 4, Code 2014, is less than the modified supplemental 5 amount received by the school district for the budget year 6 beginning July 1, 2014, the department of management shall 7 establish a modified supplemental amount for the budget year 8 equal to the difference in the remainder and the modified 9 supplemental amount received by the school district for the 10 budget year beginning July 1, 2014. Beginning January 15, 2007 2015, the department shall 11 2. 12 submit an annual report to the chairpersons and ranking members 13 of the senate and house education committees that includes the 14 ways school districts in the previous school year used modified 15 supplemental amounts received as supplementary weighting for 16 at-risk pupils and amounts received as the result of a modified 17 supplemental amount approved under subsection 1; identifies, 18 by grade level, age, and district size, the students in 19 the dropout and dropout prevention programs for which the 20 department approves a request; describes school district 21 progress toward increasing student achievement and attendance 22 for the students in the programs; and describes how the school 23 districts are using the revenues from the modified supplemental 24 amounts and amounts received as supplementary weighting for 25 at-risk pupils to improve student achievement among minority 26 subgroups. 27 Sec. 4. Section 257.41, subsection 1, Code 2014, is amended 28 to read as follows: 29 1. Budget. The budget of an approved program for returning 30 dropouts and dropout prevention for a school district, 31 after subtracting funds received from other sources for that 32 purpose, shall be funded annually on a basis of one-fourth 33 or more from the district cost of the school district and 34 up to three-fourths by an increase in supplemental state 35 aid as defined in section 257.8 using amounts received as

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1 supplementary weighting for at-risk pupils under section 2 257.11, subsection 4, and amounts received as modified 3 supplemental amounts pursuant to section 257.40. Annually, 4 the department of management shall establish a modified 5 supplemental amount for each such school district equal to the 6 difference between the approved budget for the program for 7 returning dropouts and dropout prevention for that district 8 and the sum of the amount funded from the district cost of the 9 school district plus funds received from other sources. 10 Section 257.41, subsection 2, paragraph d, Code Sec. 5. 11 2014, is amended to read as follows: 12 d. Up to five percent of the total budgeted amount 13 received pursuant to subsection 1 that is amounts received 14 as supplementary weighting for at-risk pupils under section 15 257.11, subsection 4, or that is received as modified 16 supplemental amounts pursuant to section 257.40, may be used 17 for purposes of providing district-wide or building-wide 18 returning dropout and dropout prevention programming targeted 19 to students who are not deemed at risk of dropping out. 20 Sec. 6. Section 257.41, subsection 3, Code 2014, is amended 21 by striking the subsection. 22 Sec. 7. APPLICABILITY. This Act applies to school budget 23 years beginning on or after July 1, 2015. 24 EXPLANATION 25 The inclusion of this explanation does not constitute agreement with 26 the explanation's substance by the members of the general assembly. 27 Current Code section 257.11(4) provides additional funding 28 for school districts to develop or maintain programs for 29 at-risk pupils, including alternative schools, through 30 supplemental weighting. This bill establishes a supplementary 31 weighting of 0.0642 per pupil for pupils in grades one through 32 six who are eligible for free and reduced price meals and 33 establishes a supplementary weighting of 0.0204 for all 34 pupils in the budget enrollment of the school district. The 35 bill provides that amounts received as the result of the

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LSB 5539YH (9) 85 md/sc 1 supplementary weighting for at-risk pupils shall, in addition 2 to developing and maintaining at-risk programs, be utilized by 3 a school district to establish or maintain approved programs 4 for returning dropouts and dropout prevention.

5 Under current law, dropout prevention programs may be 6 funded, in part, using a modified supplemental amount 7 (previously referred to as modified allowable growth). Current 8 Code section 257.41 provides that the budget of an approved 9 dropout prevention program, after subtracting funds received 10 from other sources for that purpose, shall be funded annually 11 on a basis of one-fourth or more from the district cost of 12 the school district and up to three-fourths by an increase in 13 supplemental state aid.

Except for school districts meeting specified budget criteria relating to dropout prevention programs, the bill removes modified supplemental amounts as a funding source for dropout prevention programs and makes corresponding k changes to other provisions of law relating to the approval and administration of dropout prevention programs to reflect a school district's authority to use amounts received as the result of the supplementary weighting for at-risk pupils for dropout prevention programs, as established in the bill.

The bill provides that for budget years beginning on or 4 after July 1, 2015, the department of education shall not 5 approve a modified supplemental amount for a school district 6 for programs for returning dropouts and dropout prevention 7 unless certain conditions are met relating to a decrease in 8 funding as compared to funding received by the school district 29 as a modified supplemental amount for programs for returning 30 dropouts and dropout prevention for the budget year beginning 31 July 1, 2014.

32 The bill applies to school budget years beginning on or after 33 July 1, 2015.

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