

House File 2102 - Introduced

HOUSE FILE 2102

BY SHEETS, HEARTSILL, SALMON,
and MAXWELL

A BILL FOR

1 An Act relating to school district spending authority by
2 establishing a district cash reserve budget adjustment.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 257.2, subsection 2, Code 2016, is
2 amended by striking the subsection.

3 Sec. 2. NEW SECTION. 257.14A District cash reserve budget
4 adjustment.

5 1. The board of directors of a school district that wishes
6 to receive the budget adjustment under this section may adopt a
7 resolution by May 15 preceding the budget year and shall notify
8 the department of management of the adoption of the resolution
9 and the amount of the budget adjustment to be received.

10 2. a. For budget years beginning on or after July 1,
11 2017, each school district that satisfies the requirements of
12 subsection 1 shall be eligible for a budget adjustment for
13 that budget year in an amount not to exceed an amount equal to
14 the district's budget enrollment multiplied by the quotient
15 obtained by dividing the sum of the maximum amount of the cash
16 reserve levy available to each school district in the state as
17 determined under section 298.10, subsection 3, for the budget
18 year by the statewide budget enrollment for the base year.

19 b. The resolution adopted under subsection 1 may specify
20 a budget adjustment amount that is less than the amount
21 authorized under paragraph "a".

22 c. The school district shall fund the budget adjustment
23 increase either by using moneys from its unexpended fund
24 balance or by using cash reserve moneys subject to the
25 limitation in section 298.10.

26 3. A budget adjustment received under this section shall
27 not affect the eligibility for or amount of any other budget
28 adjustment authorized by law for the same budget year. In
29 addition, a budget adjustment under this section shall be
30 limited to the budget year for which the adjustment was
31 authorized and shall not be included in any computation of a
32 school district's cost for any future budget year.

33

EXPLANATION

34 The inclusion of this explanation does not constitute agreement with
35 the explanation's substance by the members of the general assembly.

1 This bill establishes a district cash reserve budget
2 adjustment. The board of directors of a school district that
3 wishes to receive the budget adjustment under the bill may
4 adopt a resolution by May 15 preceding the budget year and
5 shall notify the department of management of the adoption of
6 the resolution and the amount of the budget adjustment to be
7 received.

8 For budget years beginning on or after July 1, 2017, each
9 school district that adopts the required resolution shall be
10 eligible for a budget adjustment for that budget year in an
11 amount not to exceed an amount equal to the district's budget
12 enrollment multiplied by the quotient obtained by dividing the
13 sum of the maximum amount of the cash reserve levy available
14 to each school district in the state as determined under Code
15 section 298.10(3) for the budget year by the statewide budget
16 enrollment for the base year.

17 The bill provides that the budget adjustment resolution may
18 specify a budget adjustment amount that is less than the amount
19 authorized in the bill. The school district is required to
20 fund the budget adjustment increase either by using moneys from
21 its unexpended fund balance or by using cash reserve moneys
22 subject to the cash reserve levy limitation in Code section
23 298.10.

24 The bill specifies that the budget adjustment received does
25 not affect the eligibility for or amount of any other budget
26 adjustment authorized by law for the same budget year and that
27 the budget adjustment under the bill is limited to the budget
28 year for which the adjustment was authorized and shall not be
29 included in any computation of a school district's cost for any
30 future budget year.