

**House File 321 - Introduced**

HOUSE FILE 321

BY SHEETS, DOLECHECK, HEATON,  
GASSMAN, RUFF, SALMON,  
HEARTSILL, VANDER LINDEN,  
BAXTER, MEYER, WATTS,  
GASKILL, MAXWELL, HUNTER,  
and KOOIKER

**A BILL FOR**

1 An Act modifying school budget review committee authority to  
2 recommend fiscal reviews.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 257.31, subsection 18, Code 2015, is  
2 amended by striking the subsection and inserting in lieu  
3 thereof the following:

4 18. The committee is authorized to recommend that the  
5 department implement a phase II on-site visit to conduct a  
6 fiscal review pursuant to section 256.11, subsection 10,  
7 paragraph "b", subparagraph (1), subparagraph division (e), as  
8 follows:

9 a. If a school district exceeds its authorized budget  
10 or carries a negative unspent balance for the most recently  
11 completed budget year and for each of the two budget years  
12 preceding that budget year and the school district is not  
13 eligible for a phase II on-site visit recommendation to conduct  
14 a fiscal review under paragraph "b", the committee may, but is  
15 not required to, recommend that the department conduct such a  
16 phase II on-site visit unless the school district's unspent  
17 balance for the most recently completed budget year is greater  
18 than the difference of four-thirds of the unspent balance for  
19 the budget year preceding the most recently completed budget  
20 year minus one-half of the unspent balance for the budget year  
21 two years preceding the most recently completed budget year.

22 b. If a school district exceeds its authorized budget  
23 or carries a negative unspent balance for the most recently  
24 completed budget year and for each of the four budget years  
25 preceding that budget year and the school district was not  
26 recommended for a phase II on-site visit to conduct a fiscal  
27 review under this subsection for the budget year preceding the  
28 most recently completed budget year, the committee may, but is  
29 not required to, recommend that the department conduct such a  
30 phase II on-site visit.

31 EXPLANATION

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

34 Current Code section 257.31(18) provides that if a school  
35 district exceeds its authorized budget or carries a negative

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1 unspent balance for two or more consecutive years, the school  
2 budget review committee may recommend that the department of  
3 education implement a phase II on-site visit to conduct a  
4 fiscal review pursuant to Code section 256.11(10). This bill  
5 strikes current Code section 257.31(18), and enacts a different  
6 methodology for the school budget review committee to utilize  
7 when determining whether the committee may make recommendations  
8 for the department of education to implement a phase II on-site  
9 visit to conduct a fiscal review pursuant to Code section  
10 256.11(10).