

Senate File 172 - Introduced

SENATE FILE 172

BY SINCLAIR

A BILL FOR

1 An Act relating to public school funding by establishing the
2 state percent of growth and the categorical state percent of
3 growth for the budget year beginning July 1, 2019, modifying
4 provisions relating to the property tax replacement
5 payments, and including effective date provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 257.8, subsections 1 and 2, Code 2019,
2 are amended to read as follows:

3 1. *State percent of growth.* ~~The state percent of growth for~~
4 ~~the budget year beginning July 1, 2016, is two and twenty-five~~
5 ~~hundredths percent.~~ The state percent of growth for the budget
6 year beginning July 1, 2017, is one and eleven hundredths
7 percent. The state percent of growth for the budget year
8 beginning July 1, 2018, is one percent. The state percent of
9 growth for the budget year beginning July 1, 2019, is two and
10 six hundredths percent. The state percent of growth for each
11 subsequent budget year shall be established by statute which
12 shall be enacted within thirty days of the transmission of the
13 governor's budget required by February 1 under [section 8.21](#)
14 during the regular legislative session beginning in the base
15 year.

16 2. *Categorical state percent of growth.* ~~The categorical~~
17 ~~state percent of growth for the budget year beginning July~~
18 ~~1, 2016, is two and twenty-five hundredths percent.~~ The
19 categorical state percent of growth for the budget year
20 beginning July 1, 2017, is one and eleven hundredths percent.
21 The categorical state percent of growth for the budget year
22 beginning July 1, 2018, is one percent. The categorical state
23 percent of growth for the budget year beginning July 1, 2019,
24 is two and six hundredths percent. The categorical state
25 percent of growth for each budget year shall be established
26 by statute which shall be enacted within thirty days of the
27 transmission of the governor's budget required by February
28 1 under [section 8.21](#) during the regular legislative session
29 beginning in the base year. The categorical state percent of
30 growth may include state percents of growth for the teacher
31 salary supplement, the professional development supplement,
32 the early intervention supplement, and the teacher leadership
33 supplement.

34 Sec. 2. Section 257.16B, subsection 1, Code 2019, is amended
35 to read as follows:

1 1. For each fiscal year beginning on or after July 1, ~~2013~~
2 2017, there is appropriated from the general fund of the state
3 to the department of education an amount necessary to make all
4 school district property tax replacement payments under this
5 section, as calculated in subsection 2.

6 Sec. 3. Section 257.16B, subsection 2, paragraphs a, b, c,
7 and d, Code 2019, are amended by striking the paragraphs.

8 Sec. 4. Section 257.16B, subsection 2, paragraph f,
9 unnumbered paragraph 1, Code 2019, is amended to read as
10 follows:

11 For each the budget year beginning ~~on or after~~ July 1, 2018,
12 the department of management shall calculate for each school
13 district all of the following:

14 Sec. 5. Section 257.16B, subsection 2, paragraph f,
15 subparagraph (3), Code 2019, is amended to read as follows:

16 (3) The amount of each school district's property tax
17 replacement payment. Each school district's property tax
18 replacement payment equals the school district's weighted
19 enrollment for the budget year beginning July 1, 2018,
20 multiplied by the remainder of the amount calculated for
21 the school district under subparagraph (2) minus the amount
22 calculated for the school district under subparagraph (1).

23 Sec. 6. Section 257.16B, subsection 2, Code 2019, is amended
24 by adding the following new paragraph:

25 NEW PARAGRAPH. g. For each budget year beginning on
26 or after July 1, 2019, the department of management shall
27 calculate for each school district all of the following:

28 (1) The regular program state cost per pupil for the budget
29 year beginning July 1, 2012, multiplied by one hundred percent
30 less the regular program foundation base per pupil percentage
31 pursuant to section 257.1.

32 (2) The regular program state cost per pupil for the budget
33 year beginning July 1, 2019, multiplied by one hundred percent
34 less the regular program foundation base per pupil percentage
35 pursuant to section 257.1.

1 (3) The amount of each school district's property tax
2 replacement payment. Each school district's property tax
3 replacement payment equals the school district's weighted
4 enrollment for the budget year multiplied by the remainder
5 of the amount calculated for the school district under
6 subparagraph (2) minus the amount calculated for the school
7 district under subparagraph (1).

8 Sec. 7. EFFECTIVE DATE. This Act, being deemed of immediate
9 importance, takes effect upon enactment.

10 EXPLANATION

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

13 This bill relates to public school funding by establishing
14 the state percent of growth and the categorical state percent
15 of growth for the budget year beginning July 1, 2019, and
16 modifying provisions relating to the property tax replacement
17 payments.

18 The bill establishes a state percent of growth of 2.06
19 percent for the budget year beginning July 1, 2019. The
20 state percent of growth is used to calculate the amount
21 of supplemental state aid for a budget year as part of the
22 state school foundation program. The bill also establishes
23 a categorical state percent of growth of 2.06 percent for
24 the budget year beginning July 1, 2019. The categorical
25 state percent of growth is used to calculate the amount of
26 supplemental state aid for each of the categorical funding
27 supplements.

28 Code section 257.16B provides for school district property
29 tax replacement payments. For each budget year beginning on
30 or after July 1, 2018, each school district's property tax
31 replacement payment amount is equal to the school district's
32 weighted enrollment for the budget year multiplied by the
33 difference of the following: (1) the regular program state
34 cost per pupil for the budget year beginning July 1, 2018,
35 multiplied by 100 percent less the regular program foundation

1 base per pupil percentage; and (2) the regular program state
2 cost per pupil for the budget year beginning July 1, 2012,
3 multiplied by 100 percent less the regular program foundation
4 base per pupil percentage. The regular program foundation base
5 per pupil percentage is 87.5 percent.

6 The bill modifies the property tax replacement payment
7 calculation for budget years beginning on or after July 1,
8 2019. For budget years beginning on or after July 1, 2019,
9 each school district's property tax replacement payment amount
10 is equal to the school district's weighted enrollment for the
11 budget year multiplied by the difference of the following: (1)
12 the regular program state cost per pupil for the budget year
13 beginning July 1, 2019, multiplied by 100 percent less the
14 regular program foundation base per pupil percentage; and (2)
15 the regular program state cost per pupil for the budget year
16 beginning July 1, 2012, multiplied by 100 percent less the
17 regular program foundation base per pupil percentage.

18 The bill takes effect upon enactment.