

**Senate File 2 - Introduced**

SENATE FILE 2

BY ZAUN

**A BILL FOR**

1 An Act establishing a limitation on the amount of  
2 administrative costs for school districts.

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

1 Section 1. Section 257.7, Code 2021, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 3. *Administrative costs.* For budget years  
4 beginning on or after July 1, 2022, the portion of the total  
5 authorized expenditures of a school district that is budgeted  
6 for administrative costs shall not exceed five percent of the  
7 total authorized expenditures of a school district under this  
8 section. "*Administrative costs*" shall be defined by rules  
9 adopted by the department of education.

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 provides that for budget years beginning on  
14 or after July 1, 2022, the portion of the total authorized  
15 expenditures of a school district that is budgeted for  
16 administrative costs shall not exceed 5 percent of the total  
17 authorized expenditures of a school district. "Administrative  
18 costs" shall be defined by rules adopted by the department of  
19 education.