

Senate Study Bill 3103 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON EDUCATION BILL BY
CHAIRPERSON SINCLAIR)

A BILL FOR

1 An Act relating to supplemental aid and modified supplemental
2 amounts for certain school districts relating to open
3 enrollment and including effective date and applicability
4 provisions.

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

1 Section 1. Section 257.31, subsection 5, unnumbered
2 paragraph 1, Code 2022, is amended to read as follows:

3 If a district has unusual circumstances, creating an unusual
4 need for additional funds, including but not limited to the
5 circumstances enumerated in paragraphs ~~"a" through "n"~~ this
6 subsection, the committee may grant supplemental aid to the
7 district from any funds appropriated to the department of
8 education for the use of the school budget review committee
9 for the purposes of this subsection. The school budget
10 review committee shall review a school district's unexpended
11 fund balance prior to any decision regarding unusual finance
12 circumstances. Such aid shall be miscellaneous income and
13 shall not be included in district cost. In addition to or as
14 an alternative to granting supplemental aid the committee may
15 establish a modified supplemental amount for the district. The
16 school budget review committee shall review a school district's
17 unspent balance prior to any decision to establish a modified
18 supplemental amount under this subsection.

19 Sec. 2. Section 257.31, subsection 5, Code 2022, is amended
20 by adding the following new paragraph:

21 NEW PARAGRAPH. o. (1) The percentage of students enrolled
22 in the school district as the result of open enrollment
23 under section 282.18 is equal to or greater than thirty-five
24 percent of the total number of students enrolled in the school
25 district. The committee shall not approve supplemental aid or
26 a modified supplemental amount that exceeds an amount equal to
27 fifty percent of the product of the net increase in the school
28 district's enrollment due to open enrollment multiplied by the
29 sum of the following amounts:

30 (a) The difference between the district's regular program
31 district cost per pupil minus the regular program state cost
32 per pupil.

33 (b) The teacher salary supplement district cost per pupil.

34 (c) The professional development supplement district cost
35 per pupil.

1 (d) The early intervention supplement district cost per
2 pupil.

3 (e) The per pupil amount distributed for the school budget
4 year under section 423F.2.

5 (2) Prior to filing a request for supplemental aid or a
6 modified supplemental amount based on the grounds specified
7 in this paragraph, the board of directors shall hold a public
8 hearing on the issue and shall publish the notice of the time
9 and place of the public hearing. Notice of the time and place
10 of the public hearing shall be published not less than ten nor
11 more than twenty days before the public hearing in a newspaper
12 that is a newspaper of general circulation in the school
13 district.

14 Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate
15 importance, takes effect upon enactment.

16 Sec. 4. APPLICABILITY. This Act applies July 1, 2022, for
17 school budget years beginning on or after that date.

18 EXPLANATION

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

21 Code section 257.31 provides that if a school district has
22 unusual circumstances, creating an unusual need for additional
23 funds, including but not limited to the circumstances
24 enumerated in the Code section, the school budget review
25 committee may grant supplemental aid to the district from
26 certain funds appropriated to the department of education for
27 the use of the school budget review committee or may establish
28 a modified supplemental amount for the district, or both.

29 This bill adds an additional circumstance under which a
30 school district may request such amounts from the school budget
31 review committee.

32 Under the bill, if the percentage of students enrolled
33 in the school district as the result of open enrollment is
34 equal to or greater than 35 percent of the total number of
35 students enrolled in the school district, such circumstance is

1 an unusual circumstance. Prior to filing a request with the
2 school budget review committee, the school district must first
3 hold a public hearing on the issue. The committee shall not
4 approve supplemental aid or a modified supplemental amount that
5 exceeds an amount equal to 50 percent of the product of the
6 net increase in the school district's enrollment due to open
7 enrollment multiplied by the sum of the following amounts: (1)
8 the difference between the district's regular program district
9 cost per pupil minus the regular program state cost per pupil;
10 (2) the teacher salary supplement district cost per pupil;
11 (3) the professional development supplement district cost per
12 pupil; (4) the early intervention supplement district cost per
13 pupil; and (5) the per pupil amount distributed for the school
14 budget year under Code section 423F.2.

15 The bill takes effect upon enactment and applies July 1,
16 2022, for school budget years beginning on or after that date.