

**House File 380 - Introduced**

HOUSE FILE 380

BY SORENSEN

(COMPANION TO SF 53 BY  
COURNOYER)

**A BILL FOR**

1 An Act relating to certain amounts of school district funding  
2 for programs for at-risk students, secondary students who  
3 attend alternative programs or alternative schools, or  
4 returning dropouts and dropout prevention, and including  
5 effective date provisions.

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

1 Section 1. Section 257.41, subsection 3, Code 2023, is  
2 amended to read as follows:

3 3. *Limitation.*

4 a. For the fiscal year beginning July 1, 2013, and each  
5 succeeding fiscal year beginning before July 1, 2023, the ratio  
6 of the amount of the modified supplemental amount established  
7 by the department of management compared to the school  
8 district's total regular program district cost shall not exceed  
9 two and one-half percent. However, if the school district's  
10 highest such ratio so determined for any fiscal year beginning  
11 on or after July 1, 2009, but before July 1, 2013, exceeded two  
12 and one-half percent, the ratio may exceed two and one-half  
13 percent but shall not exceed the highest such ratio established  
14 during that period.

15 b. For the fiscal year beginning July 1, 2023, the ratio of  
16 the amount of the modified supplemental amount established by  
17 the department of management compared to the school district's  
18 total regular program district cost shall not exceed three  
19 percent. However, if the school district's highest such ratio  
20 so determined for any fiscal year beginning on or after July  
21 1, 2009, but before July 1, 2013, exceeded three percent, the  
22 ratio may exceed three percent but shall not exceed the highest  
23 such ratio established during that period.

24 c. For the fiscal year beginning July 1, 2024, the ratio of  
25 the amount of the modified supplemental amount established by  
26 the department of management compared to the school district's  
27 total regular program district cost shall not exceed three and  
28 one-half percent. However, if the school district's highest  
29 such ratio so determined for any fiscal year beginning on or  
30 after July 1, 2009, but before July 1, 2013, exceeded three  
31 and one-half percent, the ratio may exceed three and one-half  
32 percent but shall not exceed the highest such ratio established  
33 during that period.

34 d. For the fiscal year beginning July 1, 2025, the ratio of  
35 the amount of the modified supplemental amount established by

1 the department of management compared to the school district's  
2 total regular program district cost shall not exceed four  
3 percent. However, if the school district's highest such ratio  
4 so determined for any fiscal year beginning on or after July 1,  
5 2009, but before July 1, 2013, exceeded four percent, the ratio  
6 may exceed four percent but shall not exceed the highest such  
7 ratio established during that period.

8 e. For the fiscal year beginning July 1, 2026, the ratio of  
9 the amount of the modified supplemental amount established by  
10 the department of management compared to the school district's  
11 total regular program district cost shall not exceed four and  
12 one-half percent. However, if the school district's highest  
13 such ratio so determined for any fiscal year beginning on or  
14 after July 1, 2009, but before July 1, 2013, exceeded four  
15 and one-half percent, the ratio may exceed four and one-half  
16 percent but shall not exceed the highest such ratio established  
17 during that period.

18 f. For the fiscal year beginning July 1, 2027, and each  
19 succeeding fiscal year, the ratio of the amount of the modified  
20 supplemental amount established by the department of management  
21 compared to the school district's total regular program  
22 district cost shall not exceed five percent.

23 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate  
24 importance, takes effect upon enactment.

25 EXPLANATION

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

28 As part of the budget for a school district's program for  
29 at-risk students, secondary students who attend alternative  
30 programs and alternative schools, or returning dropouts and  
31 dropout prevention, the school board may request to use a  
32 modified supplemental amount. However, current law provides  
33 that the ratio of the amount of the modified supplemental  
34 amount compared to the school district's total regular program  
35 district cost shall not exceed 2.5 percent or the school

H.F. 380

1 district's highest ratio for any fiscal year beginning on or  
2 after July 1, 2009, but before July 1, 2013, whichever is  
3 greater.

4 This bill modifies the maximum modified supplemental amount  
5 calculation for fiscal years beginning on or after July 1,  
6 2023, but before July 1, 2027, by increasing the 2.5 percent  
7 ratio figure by 0.5 percent each fiscal year until the fiscal  
8 year beginning July 1, 2027, and each fiscal year thereafter,  
9 when the maximum ratio percentage is set at 5 percent for all  
10 school districts.

11 The bill takes effect upon enactment.