

House Study Bill 712 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON EDUCATION BILL BY
CHAIRPERSON WHEELER)

A BILL FOR

1 An Act relating to school funding by establishing the state
2 percent of growth and the categorical state percent of
3 growth for the budget year beginning July 1, 2024, and
4 including effective date provisions.

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

1 Section 1. Section 257.8, subsections 1 and 2, Code 2024,
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, 2021, is two and four-tenths~~
5 ~~percent.~~ The state percent of growth for the budget year
6 beginning July 1, 2022, is two and one-half percent. The
7 state percent of growth for the budget year beginning July 1,
8 2023, is three percent. The state percent of growth for the
9 budget year beginning July 1, 2024, is three percent. The
10 state percent of growth for each subsequent budget year shall
11 be established by statute which shall be enacted within thirty
12 days of the transmission of the governor's budget required by
13 February 1 under [section 8.21](#) during the regular legislative
14 session beginning in the base year.

15 2. *Categorical state percent of growth.* ~~The categorical~~
16 ~~state percent of growth for the budget year beginning July 1,~~
17 ~~2021, is two and four-tenths percent.~~ The categorical state
18 percent of growth for the budget year beginning July 1, 2022,
19 is two and one-half percent. The categorical state percent of
20 growth for the budget year beginning July 1, 2023, is three
21 percent. The categorical state percent of growth for the
22 budget year beginning July 1, 2024, is three percent. The
23 categorical state percent of growth for each budget year shall
24 be established by statute which shall be enacted within thirty
25 days of the transmission of the governor's budget required by
26 February 1 under [section 8.21](#) during the regular legislative
27 session beginning in the base year. The categorical state
28 percent of growth may include state percents of growth for
29 the teacher salary supplement, the professional development
30 supplement, the early intervention supplement, the teacher
31 leadership supplement, and for budget years beginning on or
32 after July 1, 2020, transportation equity aid payments under
33 section 257.16C.

34 Sec. 2. CODE SECTION 257.8 — IMPLEMENTATION. The
35 requirements of section 257.8, subsections 1 and 2, regarding

1 the enactment of bills establishing the state percent of growth
2 and the categorical state percent of growth within thirty
3 days of the transmission of the governor's budget required by
4 February 1 under section 8.21 during the regular legislative
5 session beginning in the base year, do not apply to this Act.

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

8

EXPLANATION

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

11 This bill relates to school funding by establishing the
12 state percent of growth and the categorical state percent of
13 growth for the budget year beginning July 1, 2024.

14 The bill establishes a state percent of growth of 3 percent
15 for the budget year beginning July 1, 2024. The state percent
16 of growth is used to calculate the amount of supplemental state
17 aid for a budget year as part of the state school foundation
18 program. The bill also establishes a categorical state percent
19 of growth of 3 percent for the budget year beginning July 1,
20 2024. The categorical state percent of growth is generally
21 used to calculate the amount of supplemental state aid for each
22 of the categorical funding supplements.

23 Under current law, the state percent of growth and the
24 categorical state percent of growth used to determine the
25 funding each school district shall receive for the upcoming
26 budget year is required to be set by statute within 30 days of
27 the transmission of the governor's budget required by February
28 1 under Code section 8.21. The bill allows the state percent
29 of growth and categorical state percent of growth to be set on
30 a date after 30 days from the transmission of the governor's
31 budget.

32 The bill takes effect upon enactment.