SENATE FILE 2368 BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 3157)

## A BILL FOR

1	An	Act relating to education by establishing a right of
2		first refusal for charter schools to purchase or lease
3		school district property and modifying charter school
4		and open enrollment funding, charter school board member
5		requirements, and the school start date.
6	BE	IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I 2 FUNDING FORMULA Section 1. Section 256E.8, subsection 2, paragraph a, Code 3 4 2024, is amended to read as follows: The charter school in which the student is enrolled 5 a. 6 shall receive under paragraph c'' an amount equal to the sum 7 of the regular program state cost per pupil for the previous 8 school budget year plus the teacher leadership supplement state 9 cost per pupil, the teacher salary supplement cost per pupil, 10 the professional development supplement state cost per pupil, 11 and the early intervention supplement state cost per pupil 12 for the previous fiscal budget year as provided in section 13 257.9 plus any moneys received by that would be due to the 14 school district of residence for the student as a result of the 15 non-English speaking weighting under section 280.4, subsection 16 3, for the previous school budget year multiplied by the state 17 cost per pupil for the previous budget year. If a student is 18 an eligible pupil under section 261E.6, the charter school 19 shall pay the tuition reimbursement amount to an eligible 20 postsecondary institution as provided in section 261E.7. 21 Sec. 2. Section 282.18, subsection 5, paragraph b, 22 subparagraph (1), Code 2024, is amended to read as follows: 23 (1) The board of directors of the district of residence 24 shall pay to the receiving district the sum of the state cost 25 per pupil for the previous school budget year plus either the 26 teacher leadership supplement state cost per pupil, the teacher 27 salary supplement cost per pupil, the professional development 28 supplement state cost per pupil, and the early intervention 29 supplement state cost per pupil for the previous fiscal budget 30 year as provided in section 257.9 or the teacher leadership 31 supplement foundation aid for the previous fiscal year as 32 provided in section 284.13, subsection 1, paragraph "d", if 33 both the district of residence and the receiving district are 34 receiving such supplements, plus any moneys received that would 35 be due to the school district of residence for the pupil as

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1 a result of the non-English speaking weighting under section 2 280.4, subsection 3, for the previous school budget year 3 multiplied by the state cost per pupil for the previous budget 4 year. If the pupil participating in open enrollment is also 5 an eligible pupil under section 261E.6, the receiving district 6 shall pay the tuition reimbursement amount to an eligible 7 postsecondary institution as provided in section 261E.7. 8 DIVISION II 9 SCHOOL DISTRICT PROPERTY 10 Sec. 3. Section 256E.7, subsection 1, Code 2024, is amended 11 by adding the following new paragraphs: 12 NEW PARAGRAPH. *j*. Purchase or lease underutilized property 13 or vacant property pursuant to a right of first refusal granted 14 by the board of directors of a school district under section 15 297.24, subsection 3. 16 NEW PARAGRAPH. k. Access underutilized property or vacant 17 property owned by a school district pursuant to section 279.39, 18 subsection 2. 19 Sec. 4. Section 278.1, subsection 1, paragraph b, Code 2024, 20 is amended to read as follows: b. Except when restricted by section 297.24 or 297.25, 21 22 direct the sale, lease, or other disposition of any schoolhouse 23 or school site or other property belonging to the corporation, 24 and the application to be made of the proceeds thereof. 25 However, nothing in this section shall not be construed 26 to prevent the sale, lease, exchange, gift, or grant and 27 acceptance of any interest in real or other property of the 28 corporation to the extent authorized in section 297.22 or 29 297.24. 30 Sec. 5. Section 279.39, Code 2024, is amended to read as 31 follows: 279.39 32 School buildings — reasonable access for charter 33 schools. 34 The board of any school corporation directors of a 1. 35 school district shall establish attendance centers and provide

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1 suitable buildings for each school in the district and may 2 at the regular or a special meeting resolve to submit to the 3 registered voters of the district at an election held on a date 4 specified in section 39.2, subsection 4, the question of voting 5 a tax or authorizing the board to issue bonds, or both. The board of directors of a school district shall allow 6 2. 7 charter schools established under chapter 256E reasonable 8 access to underutilized property and vacant property, as those 9 terms are defined in section 297.24, for educational purposes. 10 Sec. 6. Section 297.22, Code 2024, is amended by adding the 11 following new subsection: 12 NEW SUBSECTION. 4. The provisions in subsections 1 through 13 3 relating to the sale or lease of school district property do 14 not apply to underutilized property or vacant property that the 15 board of directors of a school district sells or leases to a 16 charter school pursuant to section 297.24. NEW SECTION. 297.23 Publication of information 17 Sec. 7. 18 related to real property. The board of directors of a school district shall publish 19 20 information related to all of the following on the school 21 district's internet site: 1. 22 The square footage of each school building owned by the 23 school district. 24 2. The enrollment capacity of each attendance center owned 25 by the school district. 26 How each school building owned by the school district is 3. 27 currently utilized by the school district. 28 4. School buildings owned by the school district that are 29 vacant. 30 NEW SECTION. 297.24 Real property - sale to other Sec. 8. 31 schools — right of first refusal for charter schools. For purposes of this section: 32 1. "Underutilized property" means real property owned by 33 a. 34 the school district that the school district has determined is 35 not being used to the fullest extent reasonably possible by

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1 the school district because the school district uses the real 2 property irregularly or intermittently or because the school 3 district uses the real property for purposes that only require 4 a portion of the real property.

5 b. "Vacant property" means real property owned by the 6 school district that the school district has determined is not 7 occupied by the school district or is not being put to use by 8 the school district.

9 2. The board of directors of a school district shall not 10 enter into any agreement that prohibits the sale of real 11 property to any of the following:

12 a. A school district.

13 b. An accredited nonpublic school.

14 c. A charter school established pursuant to chapter 256E.
15 d. A charter school or innovation zone school established
16 pursuant to chapter 256F.

17 e. The state board of regents.

18 f. An institution of higher education under the control of 19 the state board of regents.

20 g. An accredited private institution as defined in section 21 256.183.

22 h. An eligible institution as defined in section 256.183.

3. The board of directors of a school district shall
qive a right of first refusal to an existing charter school
established pursuant to chapter 256E that is located within the
school district to purchase or lease underutilized property and
vacant property that the school district is offering to sell or
lease.

4. Subsection 3 shall be construed as independent of the power vested in the electors by section 278.1, and as additional to such power. If a board of directors of a school district has exercised its independent power under subsection 3 regarding the granting of a right of first refusal to an existing charter school established pursuant to chapter 256E that is located within the school district to

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1 purchase or lease underutilized property or vacant property, 2 and has by resolution approved such action, the electors 3 shall not subsequently proceed to exercise their power under 4 section 278.1 for a purpose directly contrary to the action 5 previously approved by the board of directors in accordance 6 with subsection 3. Sec. 9. IMPLEMENTATION OF ACT. Section 25B.2, subsection 3, 7 8 shall not apply to this division of this Act. 9 DIVISION III 10 SCHOOL START DATE Section 279.10, subsection 1, Code 2024, is amended 11 Sec. 10. 12 to read as follows: 13 The school year for each school district and accredited 1. 14 nonpublic school shall begin on July 1 and the school calendar 15 shall begin no sooner than August 23 the first Tuesday 16 following the final day of the Iowa state fair and no later 17 than the first Monday in December. The school calendar shall 18 include not less than one hundred eighty days or one thousand 19 eighty hours of instruction during the calendar year, of which 20 not more than five days or thirty hours of instruction may 21 be delivered primarily over the internet except as otherwise 22 provided in section 256.43 or in rules adopted by the state 23 board of education pursuant to section 256.7, subsection 32. 24 The board of directors of a school district and the authorities 25 in charge of an accredited nonpublic school shall determine the 26 school start date for the school calendar in accordance with 27 this subsection and shall set the number of days or hours of 28 required attendance for the school year as provided in section 29 299.1, subsection 2, but the board of directors of a school 30 district shall hold a public hearing on any proposed school 31 calendar prior to adopting the school calendar. If the board 32 of directors of a district or the authorities in charge of an 33 accredited nonpublic school extends the school calendar because 34 inclement weather caused the school district or accredited 35 nonpublic school to temporarily close during the regular school

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2 may excuse a graduating senior who has met district or school 3 requirements for graduation from attendance during the extended 4 school calendar. A school corporation may begin employment 5 of personnel for in-service training and development purposes 6 before the date to begin elementary and secondary school. DIVISION IV 7 8 CHARTER SCHOOLS - BOARD MEMBER RESIDENCE 9 Sec. 11. Section 256E.7, subsection 11, Code 2024, is 10 amended to read as follows: 11. A majority of the membership of each charter school's 11 12 governing board shall be residents of the geographic area 13 served by the charter school. Each member of the governing 14 board who is not a resident of the geographic area served by 15 the charter school must be a resident of this state. 16 EXPLANATION 17 The inclusion of this explanation does not constitute agreement with 18 the explanation's substance by the members of the general assembly. 19 This bill relates to education by establishing a right 20 of first refusal for charter schools to purchase or lease 21 school district property and modifying charter school and open 22 enrollment funding, charter school board member requirements, 23 and the school start date. 24 DIVISION I — FUNDING FORMULA. The bill requires the 25 department of education, when a student enrolls in a charter 26 school, to pay the charter school a sum equal to the regular 27 program state cost per pupil for the budget year plus the 28 teacher leadership supplement state cost per pupil, the teacher 29 salary supplement cost per pupil, the professional development 30 supplement state cost per pupil, and the early intervention 31 supplement state cost per pupil for the budget year, plus any 32 moneys that would be due to the student's school district of 33 residence as a result of non-English speaking weighting for the 34 budget year, multiplied by the state cost per pupil for the 35 budget year. Under current law, the department of education

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1 only pays the state cost per pupil, teacher leadership 2 supplement, and non-English speaking weighting based on the 3 previous year as multiplied by the state cost per pupil based 4 on the previous year to a charter school in which a student 5 enrolls. The bill contains similar provisions for a school 6 district of residence's payments to a school in which a pupil 7 open enrolls.

8 DIVISION II — SCHOOL DISTRICT PROPERTY. The bill requires 9 the board of directors of a school district to allow charter 10 schools reasonable access to underutilized property and vacant 11 property for educational purposes. The bill also requires the 12 board of directors of a school district to publish information 13 related to the square footage of each school building owned by 14 the school district, the enrollment capacity of each attendance 15 center owned by the school district is currently utilized by the 17 school district, and school buildings owned by the school 18 district that are vacant on the school district's internet 19 site.

The bill prohibits the board of directors of a school district from entering into any agreement that prohibits the sale of real property to a school district, an accredited anonpublic school, a charter school, an innovation zone school, the state board of regents, an institution of higher education under the control of the state board of regents, or certain private colleges and universities.

The bill requires the board of directors of a school district to give a right of first refusal to an existing charter school established pursuant to Code chapter 256E that is located within the school district to purchase or lease underutilized property and vacant property. The bill provides that this provision is to be construed as independent of the power vested in the electors by Code section 278.1 (power of electors), and as additional to such power. The bill also provides that if a board of directors of a school district has exercised its

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1 independent power under this provision, and has by resolution 2 approved such action, the electors shall not subsequently 3 proceed to exercise their power under Code section 278.1 for 4 a purpose directly contrary to the action previously approved 5 by the board of directors. The bill defines "underutilized 6 property" as real property owned by the school district that 7 the school district has determined is not being used to the 8 fullest extent reasonably possible by the school district 9 because the school district uses the real property irregularly 10 or intermittently or because the school district uses the real 11 property for purposes that only require a portion of the real 12 property. The bill defines "vacant property" as real property 13 owned by the school district that the school district has 14 determined is not occupied by the school district or is not 15 being put to use by the school district.

16 The division may include a state mandate as defined in Code 17 section 25B.3. The division makes inapplicable Code section 18 25B.2, subsection 3, which would relieve a school district 19 from complying with a state mandate if funding for the cost of 20 the state mandate is not provided or specified. Therefore, 21 school districts are required to comply with any state mandate 22 included in the division.

23 DIVISION III — SCHOOL START DATE. Current law provides 24 that the school calendar for school districts and accredited 25 nonpublic schools shall begin no sooner than August 23. The 26 bill provides that the school calendar for school districts and 27 accredited nonpublic schools shall instead begin no sooner than 28 the first Tuesday following the final day of the Iowa state 29 fair.

30 DIVISION IV — CHARTER SCHOOLS — BOARD MEMBER RESIDENCE. 31 Current law provides that each member of the governing board 32 of a charter school established under Code chapter 256E who is 33 not a resident of the geographic area served by the charter 34 school must be a resident of this state. The bill strikes this 35 provision.

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