Senate File 276 - Introduced

SENATE FILE 276
BY ROWLEY

A BILL FOR

- 1 An Act relating to the state school foundation program and
- 2 the calculation of minimum state foundation aid for school
- 3 districts and including applicability provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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Section 1. Section 257.1, subsection 2, paragraph a, Code
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 2 2023, is amended to read as follows:
      a. For a budget year, each school district in the state
 4 is entitled to receive foundation aid, in an amount per
 5 pupil equal to the difference between the amount per pupil of
 6 foundation property tax in the district, otherwise determined
 7 under section 257.3 and the combined foundation base per pupil
 8 or the combined district cost per pupil, whichever is less for
 9 the district. However, if the amount of foundation aid to
10 be received by a school district under this chapter is less
11 than three hundred dollars per pupil the state foundation aid
12 minimum for the district, the district is entitled to receive
13 three hundred dollars per pupil unless the receipt of three
14 hundred dollars per pupil plus the per pupil amount raised by
15 the foundation property tax exceeds the combined district cost
16 per pupil of the district for the budget year state foundation
17 aid in an amount equal to the state foundation aid minimum.
18 In that case, the district is entitled to receive an amount
19 per pupil equal to the difference between the per pupil amount
20 raised by the foundation property tax for the budget year and
21 the combined district cost per pupil for the budget year. If
22 the sum of the amount of foundation aid received by a school
23 district plus the amount of foundation property tax in the
24 district otherwise determined under section 257.3 exceeds the
25 combined foundation base, the department of management shall
26 reduce the district's foundation property tax to be collected
27 under section 257.3, subsection 1, paragraph "a", or under
28 section 257.3, subsection 2, as applicable, by the amount by
29 which such sum exceeds the combined foundation base and adjust
30 the district's foundation property tax rate accordingly. For
31 purposes of this paragraph, "state foundation aid minimum" means
32 the sum of the total teacher salary supplement district cost,
33 the total professional development supplement district cost,
34 the total early intervention supplement district cost, and the
35 total teacher leadership supplement district cost.
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- 1 Sec. 2. Section 257.2, subsection 4, Code 2023, is amended
- 2 by striking the subsection.
- 3 Sec. 3. Section 257.10, subsection 5, Code 2023, is amended
- 4 by striking the subsection.
- 5 Sec. 4. APPLICABILITY. This Act applies to school budget
- 6 years beginning on or after July 1, 2024.
- 7 EXPLANATION
- 8 The inclusion of this explanation does not constitute agreement with
- 9 the explanation's substance by the members of the general assembly.
- 10 Code section 257.1 provides that for a budget year, each
- 11 school district in the state is entitled to receive foundation
- 12 aid in an amount per pupil equal to the difference between the
- 13 amount per pupil of foundation property tax in the district
- 14 and the combined foundation base per pupil or the combined
- 15 district cost per pupil, whichever is less, and subject to a
- 16 \$300 per pupil minimum unless the receipt of \$300 per pupil
- 17 plus the per pupil amount raised by the foundation property tax
- 18 exceeds the combined district cost per pupil of the district
- 19 for the budget year, in which case the district gets an amount
- 20 per pupil equal to the difference. The "combined foundation
- 21 base" is defined as the sum of the regular program foundation
- 22 base, the special education support services foundation base,
- 23 the total teacher salary supplement district cost, the total
- 24 professional development supplement district cost, the total
- 25 early intervention supplement district cost, the total teacher
- 26 leadership supplement district cost, the total area education
- 27 agency teacher salary supplement district cost, and the total
- 28 area education agency professional development supplement
- 29 district cost.
- 30 This bill modifies the calculation of foundation aid to
- 31 be an amount equal to the difference between the amount of
- 32 foundation property tax in the district and the combined
- 33 foundation base for the district. However, if the amount of
- 34 foundation aid to be received by a school district is less than
- 35 the state foundation aid minimum for the district, the district

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- 1 is entitled to receive state foundation aid in an amount equal
- 2 to the state foundation aid minimum. "State foundation aid
- 3 minimum" means the sum of the total teacher salary supplement
- 4 district cost, the total professional development supplement
- 5 district cost, the total early intervention supplement district
- 6 cost, and the total teacher leadership supplement district
- 7 cost. Additionally, if the sum of the amount of foundation aid
- 8 received by a school district plus the amount of foundation
- 9 property tax in the district otherwise determined under
- 10 Code section 257.3 exceeds the combined foundation base, the
- 11 department of management is required to reduce the district's
- 12 foundation property tax to be collected by the amount by which
- 13 such sum exceeds the combined foundation base and adjust the

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- 14 district's foundation property tax rate accordingly.
- The bill also strikes definitions made obsolete by the bill.
- The bill applies to school budget years beginning on or after 17 July 1, 2024.