## Senate File 375 - Introduced

SENATE FILE 375 BY QUIRMBACH

## A BILL FOR

- 1 An Act establishing a low-income enrollment categorical funding
- 2 supplement for school districts and including applicability
- 3 provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 1 Section 1. Section 257.1, subsection 2, paragraph b, Code 2 2023, is amended to read as follows:
- 3 b. For the budget year commencing July 1, 1999, and for
- 4 each succeeding budget year beginning before July 1, 2022,
- 5 the regular program foundation base per pupil is eighty-seven
- 6 and five-tenths percent of the regular program state cost per
- 7 pupil. For the budget year commencing July 1, 2022, and for
- 8 each succeeding budget year, the regular program foundation
- 9 base per pupil is eighty-eight and four-tenths percent of the
- 10 regular program state cost per pupil. For the budget year
- 11 commencing July 1, 1991, and for each succeeding budget year
- 12 the special education support services foundation base is
- 13 seventy-nine percent of the special education support services
- 14 state cost per pupil. The combined foundation base is the sum
- 15 of the regular program foundation base, the special education
- 16 support services foundation base, the total teacher salary
- 17 supplement district cost, the total professional development
- 18 supplement district cost, the total early intervention
- 19 supplement district cost, the total teacher leadership
- 20 supplement district cost, the total area education agency
- 21 teacher salary supplement district cost, and the total area
- 22 education agency professional development supplement district
- 23 cost, and the total low-income enrollment supplement district 24 cost.
- Sec. 2. Section 257.1, subsection 3, Code 2023, is amended
- 26 to read as follows:
- 27 3. Computations rounded. In making computations and
- 28 payments under this chapter, except in the case of computations
- 29 relating to funding of special education support services,
- 30 media services, and educational services provided through the
- 31 area education agencies, and the teacher salary supplement, the
- 32 professional development supplement, the early intervention
- 33 supplement, and the teacher leadership supplement, and the
- 34 low-income enrollment supplement, the department of management
- 35 shall round amounts to the nearest whole dollar.

- 1 Sec. 3. Section 257.4, subsection 1, paragraph a, Code 2023,
- 2 is amended by adding the following new subparagraph:
- 3 NEW SUBPARAGRAPH. (11) The total low-income enrollment
- 4 supplement district cost.
- 5 Sec. 4. Section 257.8, subsection 2, as amended by 2023
- 6 Iowa Acts, Senate File 192, section 1, is amended to read as
- 7 follows:
- 8 2. Categorical state percent of growth. The categorical
- 9 state percent of growth for the budget year beginning July
- 10 1, 2021, is two and four-tenths percent. The categorical
- 11 state percent of growth for the budget year beginning July
- 12 1, 2022, is two and one-half percent. The categorical state
- 13 percent of growth for the budget year beginning July 1, 2023,
- 14 is three percent. The categorical state percent of growth
- 15 for each budget year shall be established by statute which
- 16 shall be enacted within thirty days of the transmission of the
- 17 governor's budget required by February 1 under section 8.21
- 18 during the regular legislative session beginning in the base
- 19 year. The categorical state percent of growth may include
- 20 state percents of growth for the teacher salary supplement, the
- 21 professional development supplement, the early intervention
- 22 supplement, the teacher leadership supplement, the low-income
- 23 enrollment supplement, and for budget years beginning on or
- 24 after July 1, 2020, transportation equity aid payments under
- 25 section 257.16C.
- Sec. 5. Section 257.9, Code 2023, is amended by adding the
- 27 following new subsection:
- 28 NEW SUBSECTION. 12. Low-income enrollment supplement state
- 29 cost per pupil. For the budget year beginning July 1, 2024,
- 30 the low-income enrollment supplement state cost per pupil is
- 31 five hundred dollars. The low-income enrollment supplement
- 32 state cost per pupil for the budget year beginning July 1,
- 33 2024, and succeeding budget years, shall be the amount of the
- 34 low-income enrollment supplement state cost per pupil under
- 35 this subsection for the base year plus a supplemental state aid

- 1 amount that is equal to the low-income enrollment supplement
- 2 categorical state percent of growth, pursuant to section 257.8,
- 3 subsection 2, for the budget year, multiplied by the amount of
- 4 the low-income enrollment supplement state cost per pupil under
- 5 this subsection for the base year.
- 6 Sec. 6. Section 257.10, subsection 8, paragraph a, Code
- 7 2023, is amended to read as follows:
- 8 a. Combined district cost is the sum of the regular
- 9 program district cost per pupil multiplied by the weighted
- 10 enrollment, the special education support services district
- 11 cost, the total teacher salary supplement district cost, the
- 12 total professional development supplement district cost, the
- 13 total early intervention supplement district cost, the total
- 14 low-income enrollment supplement district cost, and the total
- 15 teacher leadership supplement district cost, plus the sum of
- 16 the additional district cost allocated to the district to fund
- 17 media services and educational services provided through the
- 18 area education agency, the area education agency total teacher
- 19 salary supplement district cost and the area education agency
- 20 total professional development supplement district cost.
- Sec. 7. Section 257.10, Code 2023, is amended by adding the
- 22 following new subsection:
- 23 NEW SUBSECTION. 12A. Low-income enrollment supplement cost
- 24 per pupil and district cost.
- 25 a. For budget years beginning on or after July 1, 2024,
- 26 the low-income enrollment supplement district cost per pupil
- 27 is equal to the low-income enrollment supplement state cost
- 28 per pupil. The low-income enrollment supplement district cost
- 29 is the low-income enrollment supplement district cost per
- 30 pupil for a budget year multiplied by the number of pupils
- 31 in a school district, as reported by the school district on
- 32 the basic educational data survey for the base year, who are
- 33 eligible for free and reduced price meals under the federal
- 34 National School Lunch Act and the federal Child Nutrition Act
- 35 of 1966, 42 U.S.C. §1751 1785.

- 1 b. The funds calculated under this subsection may be used 2 for any school general fund purpose.
- 3 Sec. 8. Section 257.16, subsection 4, Code 2023, is amended 4 to read as follows:
- 5 4. Notwithstanding any provision to the contrary, if
- 6 the governor orders budget reductions in accordance with
- 7 section 8.31, the teacher salary supplement district cost,
- 8 the professional development supplement district cost, the
- 9 early intervention supplement district cost, the low-income
- 10 enrollment supplement district cost, and the teacher leadership
- 11 supplement district cost as calculated under section 257.10,
- 12 subsections 9, 10, 11, and 12, and the area education agency
- 13 teacher salary supplement district cost and the area education
- 14 agency professional development supplement district cost
- 15 as calculated under section 257.37A, subsections 1 and 2,
- 16 shall be paid in full as calculated and the reductions in the
- 17 appropriations provided in accordance with this section shall
- 18 be reduced from the remaining moneys appropriated pursuant
- 19 to this section and shall be distributed on a per pupil
- 20 basis calculated with the weighted enrollment determined in
- 21 accordance with section 257.6, subsection 5.
- 22 Sec. 9. APPLICABILITY. This Act applies July 1, 2024, for
- 23 school budget years beginning on or after that date.
- 24 EXPLANATION
- 25 The inclusion of this explanation does not constitute agreement with 26 the explanation's substance by the members of the general assembly.
- 27 This bill establishes a low-income enrollment supplement for
- 28 school districts that is added to the state school foundation
- 29 program for funding school districts under Code chapter 257.
- 30 For the budget year beginning July 1, 2024, the low-income
- 31 enrollment supplement state cost per pupil is \$500. The
- 32 low-income enrollment supplement state cost per pupil for the
- 33 budget year beginning July 1, 2024, and succeeding budget
- 34 years, is the amount of the low-income enrollment supplement
- 35 state cost per pupil for the base year plus a supplemental

## S.F. 375

- 1 state aid amount that is equal to the low-income enrollment
- 2 supplement categorical state percent of growth for the budget
- 3 year multiplied by the amount of the low-income enrollment
- 4 supplement state cost per pupil for the base year.
- 5 The low-income enrollment supplement district cost per
- 6 pupil is equal to the low-income enrollment supplement state
- 7 cost per pupil. The low-income enrollment supplement district
- 8 cost is the low-income enrollment supplement district cost
- 9 per pupil for a budget year multiplied by the number of
- 10 pupils in a school district who are eligible for free and
- 11 reduced price meals as determined in the base year. The
- 12 low-income enrollment supplement district cost is added to
- 13 the combined foundation base, similar to other categorical
- 14 funding supplements, and is accordingly paid as part of state
- 15 foundation aid to school districts. The bill allows the
- 16 low-income enrollment supplement amounts to be used for any
- 17 school general fund purpose.
- 18 The bill applies July 1, 2024, for school budget years
- 19 beginning on or after that date.