

Senate File 9 - Introduced

SENATE FILE 9

BY ZAUN

A BILL FOR

1 An Act relating to supplemental aid and modified supplemental
2 amounts for certain school districts relating to open
3 enrollment and including effective date and applicability
4 provisions.

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

1 Section 1. Section 257.31, subsection 5, unnumbered
2 paragraph 1, Code 2023, is amended to read as follows:

3 If a district has unusual circumstances, creating an unusual
4 need for additional funds, including but not limited to the
5 circumstances enumerated in paragraphs ~~"a" through "n"~~ this
6 subsection, the committee may grant supplemental aid to the
7 district from any funds appropriated to the department of
8 education for the use of the school budget review committee
9 for the purposes of this subsection. The school budget
10 review committee shall review a school district's unexpended
11 fund balance prior to any decision regarding unusual finance
12 circumstances. Such aid shall be miscellaneous income and
13 shall not be included in district cost. In addition to or as
14 an alternative to granting supplemental aid the committee may
15 establish a modified supplemental amount for the district. The
16 school budget review committee shall review a school district's
17 unspent balance prior to any decision to establish a modified
18 supplemental amount under this subsection.

19 Sec. 2. Section 257.31, subsection 5, Code 2023, is amended
20 by adding the following new paragraph:

21 NEW PARAGRAPH. o. (1) The percentage of students enrolled
22 in the school district as the result of open enrollment
23 under section 282.18 is equal to or greater than thirty-five
24 percent of the total number of students enrolled in the school
25 district. The committee shall not approve supplemental aid or
26 a modified supplemental amount that exceeds an amount equal to
27 fifty percent of the product of the net increase in the school
28 district's enrollment due to open enrollment multiplied by the
29 sum of the following amounts:

30 (a) The difference between the district's regular program
31 district cost per pupil minus the regular program state cost
32 per pupil.

33 (b) The teacher salary supplement district cost per pupil.

34 (c) The professional development supplement district cost
35 per pupil.

1 (d) The early intervention supplement district cost per
2 pupil.

3 (2) Prior to filing a request for supplemental aid or a
4 modified supplemental amount based on the grounds specified
5 in this paragraph, the board of directors shall hold a public
6 hearing on the issue and shall publish the notice of the time
7 and place of the public hearing. Notice of the time and place
8 of the public hearing shall be published not less than ten nor
9 more than twenty days before the public hearing in a newspaper
10 that is a newspaper of general circulation in the school
11 district.

12 (3) A school district is not eligible for supplemental aid
13 or a modified supplemental amount under this paragraph if a
14 majority of the students enrolled in the school district as
15 the result of open enrollment are students receiving online
16 instruction from a private provider under section 256.43,
17 subsection 2.

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

20 Sec. 4. APPLICABILITY. This Act applies July 1, 2023, for
21 school budget years beginning on or after that date.

22 EXPLANATION

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

25 Code section 257.31 provides that if a school district has
26 unusual circumstances, creating an unusual need for additional
27 funds, including but not limited to the circumstances
28 enumerated in the Code section, the school budget review
29 committee may grant supplemental aid to the district from
30 certain funds appropriated to the department of education for
31 the use of the school budget review committee or may establish
32 a modified supplemental amount for the district, or both.

33 This bill adds an additional circumstance under which a
34 school district may request such amounts from the school budget
35 review committee.

1 Under the bill, if the percentage of students enrolled
2 in the school district as the result of open enrollment is
3 equal to or greater than 35 percent of the total number of
4 students enrolled in the school district, such circumstance
5 is an unusual circumstance. However, the bill excludes a
6 district if a majority of the students enrolled as the result
7 of open enrollment are students receiving online instruction
8 from a private provider under Code section 256.43(2). Prior
9 to filing a request with the school budget review committee,
10 the school district must first hold a public hearing on the
11 issue. The committee shall not approve supplemental aid or a
12 modified supplemental amount that exceeds an amount equal to
13 50 percent of the product of the net increase in the school
14 district's enrollment due to open enrollment multiplied by
15 the sum of the following amounts: (1) the difference between
16 the district's regular program district cost per pupil minus
17 the regular program state cost per pupil; (2) the teacher
18 salary supplement district cost per pupil; (3) the professional
19 development supplement district cost per pupil; and (4) the
20 early intervention supplement district cost per pupil.
21 The bill takes effect upon enactment and applies July 1,
22 2023, for school budget years beginning on or after that date.