

**Senate Study Bill 1027 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
EDUCATION BILL BY CHAIRPERSON  
EVANS)

**A BILL FOR**

1 An Act authorizing school districts to use revenues from the  
2 district management levy for teacher recruitment and retention  
3 incentives.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 279.46, Code 2025, is amended to read as  
2 follows:

3 **279.46 Retirement incentives and teacher recruitment and**  
4 **retention incentives — tax.**

5 1. The board of directors of a school district may adopt  
6 a program for payment of a monetary bonus, continuation of  
7 health or medical insurance coverage, or other incentives for  
8 encouraging its employees to retire before the normal retirement  
9 date as defined in chapter 97B. The program is available only to  
10 employees who notify the board of directors prior to April 1 of  
11 the fiscal year that they intend to retire not later than the  
12 start of the next following school calendar. The age at which  
13 employees shall be designated eligible for the program shall be  
14 at the discretion of the board. An employee retiring under  
15 this ~~section~~ subsection may apply for a retirement allowance  
16 under chapter 97B or chapter 294. The board may include in the  
17 district management levy an amount to pay the total estimated  
18 accumulated cost to the school district of the health or medical  
19 insurance coverage, bonus, or other incentives for employees  
20 fifty-five years of age or older who retire under this ~~section~~  
21 subsection.

22 2. a. The board of directors of a school district may adopt  
23 a program for teacher recruitment incentives to recruit new  
24 teachers and a program for teacher retention incentives to retain  
25 teachers currently employed by the board. If the board does  
26 adopt a program for teacher recruitment or retention incentives,  
27 the board shall adopt a policy to implement the program. Under  
28 the program, the board of directors of a school district shall  
29 not do any of the following:

30 (1) Pay a teacher a teacher recruitment or retention  
31 incentive that annually exceeds ten percent of the amount  
32 of the salary for an initial teacher established pursuant to  
33 section 284.15, subsection 2, paragraph "a", subparagraph (1),  
34 subparagraph division (b).

35 (2) Pay a teacher a teacher recruitment or retention

1 incentive in more than five school budget years.

2 b. The board may include in the district management levy an  
3 amount to pay the total estimated accumulated cost to the school  
4 district of the teacher recruitment or retention incentives  
5 adopted under this subsection.

6 3. The board may adopt either the program for early  
7 retirement benefits provided in subsection 1, or the programs  
8 for teacher recruitment or retention incentives provided in  
9 subsection 2, but the board shall not adopt the program for  
10 early retirement benefits concurrently with a program for teacher  
11 recruitment or retention incentives.

12 4. The board of directors of a school district shall discuss  
13 the adoption of the program for early retirement benefits  
14 provided in subsection 1 or the programs for teacher recruitment  
15 or retention incentives provided in subsection 2, if applicable,  
16 at a regular or special meeting prior to adopting the program.  
17 The board of directors of the school district shall provide  
18 sufficient time to receive public comment on the program. The  
19 board shall allow each interested member of the public to speak  
20 at the meeting regarding the program, but may impose a time limit  
21 on the amount of time a member of the public is allowed to speak  
22 if the time limit is the same for each speaker and necessary due  
23 to the amount of people wishing to speak.

24 Sec. 2. Section 298.4, subsection 1, paragraph e, Code 2025,  
25 is amended to read as follows:

26 e. To pay the cost of early retirement benefits to employees  
27 under section 279.46, subsection 1, or teacher recruitment or  
28 retention incentives under section 279.46, subsection 2. A board  
29 of directors of a school district shall not expend the district  
30 management levy on the costs of early retirement benefits to  
31 employees under section 279.46, subsection 1, in the same fiscal  
32 year as the costs of teacher recruitment or retention incentives  
33 under section 279.46, subsection 2.

34 **EXPLANATION**

35 The inclusion of this explanation does not constitute agreement with

1                   the explanation's substance by the members of the general assembly.

2       This bill authorizes school districts to use revenues from the  
3 district management levy for teacher recruitment and retention  
4 incentives.

5       Currently, Code section 279.46 authorizes the board of  
6 directors of a school district to adopt a program for early  
7 retirement benefits to encourage its employees to retire before  
8 the normal retirement date. The bill modifies Code section  
9 279.46 to also authorize the board of directors to adopt  
10 a program for teacher recruitment incentives to recruit new  
11 teachers and a program for teacher retention incentives to retain  
12 current teachers. The bill requires the board of directors to  
13 discuss the adoption of the program for early retirement benefits  
14 or the program for teacher recruitment or retention incentives,  
15 if applicable, at a regular or special meeting prior to adopting  
16 the program and allow for public comment. The bill prohibits the  
17 board of directors from paying a teacher recruitment or retention  
18 incentive that annually exceeds 10 percent of the amount of the  
19 salary for an initial teacher established under Code section  
20 284.15. Additionally, the bill prohibits the board of directors  
21 from paying a teacher recruitment or retention incentive in more  
22 than five school budget years. The bill also prohibits the  
23 board of directors from adopting the program for early retirement  
24 benefits concurrently with the program for teacher recruitment  
25 or retention incentives. In addition, the bill prohibits the  
26 board of directors from adopting either the program for early  
27 retirement benefits or the program for teacher recruitment or  
28 retention incentives within five years after adopting the other  
29 program.

30       The bill authorizes the board of directors to expend the  
31 district management levy to pay the costs of either the  
32 program for early retirement benefits or the program for teacher  
33 recruitment or retention incentives. The bill prohibits the  
34 board of directors from expending the district management levy on  
35 the costs of early retirement benefits in the same fiscal year as

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1 the costs of teacher recruitment or retention incentives.

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