

CHAPTER 178**SCHOOL DISTRICT REORGANIZATION INCENTIVES***H.F. 583*

AN ACT relating to eligibility of school districts for the reorganization incentives and providing an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 257.3, subsection 2, Code 1991, is amended by striking the subsection and inserting in lieu thereof the following:

2. **TAX FOR REORGANIZED AND DISSOLVED DISTRICTS.** Notwithstanding subsection 1, a reorganized school district shall cause a foundation property tax of four dollars and forty cents per thousand dollars of assessed valuation to be levied on all taxable property which, in the year preceding a reorganization, was within a school district affected by the reorganization as defined in section 275.1, or in the year preceding a dissolution was a part of a school district that dissolved if the dissolution proposal has been approved by the director of the department of education pursuant to section 275.55. In the year preceding the reorganization or dissolution, the school district affected by the reorganization or the school district that dissolved must have had a certified enrollment of fewer than six hundred in order for the four-dollar-and-forty-cent levy to apply. In succeeding school years, the foundation property tax levy on that portion shall be increased twenty cents per year until it reaches the rate of five dollars and forty cents per thousand dollars of assessed valuation.

For purposes of this section, a reorganized school district is one which absorbed at least thirty percent of the enrollment of the school district affected by a reorganization or dissolved during a dissolution and in which action to bring about a reorganization or dissolution was initiated by a vote of the board of directors or jointly by the affected boards of directors prior to November 30, 1990, and the reorganization or dissolution takes effect on or after July 1, 1991, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

The reduced property tax rates of reorganized school districts that met the requirements of section 442.2, Code 1991, prior to July 1, 1991, shall continue to increase as provided in that section until they reach five dollars and forty cents.

Sec. 2. Section 257.4, Code 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. SUPPLEMENTAL AID. However, if the rate of the additional property tax levy determined under subsection 1 with the application of section 257.15 for a budget year for a reorganized school district is higher than the rate of additional property tax levy determined under subsection 1 with the application of section 257.15 for the year previous to the reorganization for a school district that had a certified enrollment of less than six hundred and that was within the school districts affected by the reorganization as defined in section 275.1, the department of management shall reduce the rate of the additional property tax levy in the portion of the reorganized district where the new rate is higher, to the rate that was levied in that portion of the district during the year preceding the reorganization, for a five-year period. The department of management shall include in the state aid payments made to each reorganized school district under section 256.16 during each of the first five years of existence of the reorganized district as supplemental aid, moneys equal to the reduction in property tax revenues made under this subsection. For the budget year beginning July 1, 1991, the base year calculation shall be made using chapter 442, Code 1991.

For purposes of this section, a reorganized school district is one in which action to bring about a reorganization was initiated by a vote of the board of directors or jointly by the affected boards of directors prior to November 30, 1990, and the reorganization will take effect on or after July 1, 1991, and on or before July 1, 1993. Each district which initiated, by a vote of

the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

Sec. 3. Section 257.5, unnumbered paragraphs 1 and 2, Code 1991, are amended by striking the unnumbered paragraphs and inserting in lieu thereof the following:

A reorganized school district, as defined in section 257.4, subsection 1A, receiving supplemental aid prior to July 1, 1991, under section 442.9A, Code 1991, shall continue to receive supplemental aid as provided in that section for the five-year period specified in that section.

Sec. 4. Section 257.12, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

257.12 SUPPLEMENTARY WEIGHTING AND SCHOOL REORGANIZATION.

In determining weighted enrollment under section 257.6, if the board of directors of a school district has approved a contract for sharing under section 442.39, subsection 2 or 4, Code 1991, or section 257.11 and the school district has initiated an action prior to November 30, 1990, to bring about a reorganization, the reorganized school district shall include, for a period of five years following the effective date of the reorganization, additional pupils added by the application of the supplementary weighting plan, equal to the pupils added by the application of the supplementary weighting plan in the year preceding the reorganization. However, the weighting shall be reduced by the supplementary weighting added for a pupil whose residency is not within the reorganized district. For purposes of this section, a reorganized district is one in which the reorganization was approved in an election pursuant to sections 275.18 and 275.20 and takes effect on or after July 1, 1991, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

A reorganized school district in which eligible pupils were added under section 442.39A, Code 1991, shall continue to have pupils added, subject to the changes in weighting made under section 257.11, until the expiration of the five-year period provided in section 442.39A, Code 1991.

Sec. 5. Section 257.16, unnumbered paragraph 1, Code 1991, is amended to read as follows:

There is appropriated each year from the general fund of the state an amount necessary to pay the foundation aid and supplementary aid under section 257.4, subsection 1A.

Sec. 6. Section 442.2, subsection 1, unnumbered paragraph 3, Code 1991, is amended to read as follows:

For purposes of this section, a reorganized school district is one which absorbed at least thirty percent of the enrollment of the school district affected by a reorganization or dissolved during a dissolution and in which action to bring about a reorganization or dissolution was initiated by a vote of the board of directors or jointly by the affected boards of directors prior to November 30, 1990, and the reorganization or dissolution takes effect on or after July 1, 1988, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

Sec. 7. Section 442.2, subsection 2, unnumbered paragraph 2, Code 1991, is amended by striking the unnumbered paragraph.

Sec. 8. Section 442.9A, unnumbered paragraph 4, Code 1991, is amended to read as follows:

For purposes of this section, a reorganized school district is one in which action to bring about a reorganization was initiated by a vote of the board of directors or jointly by the affected boards of directors prior to November 30, 1990, and will take effect on or after July 1, 1986, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors

or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

Sec. 9. Section 442.39A, Code 1991, is amended to read as follows:

442.39A SUPPLEMENTARY WEIGHTING AND SCHOOL REORGANIZATION.

In determining weighted enrollment under section 442.4, if the board of directors of a school district has approved a contract for sharing under section 442.39, subsection 2 or 4, and the school district has initiated an action prior to November 30, 1990, to bring about a reorganization, the reorganized school district shall include, for a period of five years following the effective date of the reorganization, additional pupils added by the application of the supplementary weighting plan, equal to the pupils added by the application of the supplementary weighting plan in the year preceding the reorganization. However, the weighting shall be reduced by the supplementary weighting added for a pupil whose residency is not within the reorganized district. For purposes of this section, a reorganized district is one in which the reorganization was approved in an election pursuant to sections 275.18 and 275.20 and takes effect on or after July 1, 1986, and on or before July 1, 1993. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution by November 30, 1990, shall certify the date and the nature of the action taken to the department of education by September 1, 1991.

Sec. 10. This Act, being deemed of immediate importance, takes effect upon its enactment.

Approved May 14, 1991

CHAPTER 179

STATE ADMINISTRATIVE RULES AFFECTING POLITICAL SUBDIVISIONS

S.F. 182

AN ACT relating to administrative rulemaking.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 25B.6, Code 1991, is amended to read as follows:

25B.6 STATE RULES.

A state agency or department shall not propose or adopt an administrative rule which exceeds its statutory authority by mandating expenditures by political subdivisions, or agencies and entities which contract with political subdivisions to provide services. A state administrative rule, filed proposed pursuant to chapter 17A, which necessitates additional annual expenditures exceeding one hundred thousand dollars by political subdivisions or agencies and entities which contract with a political subdivision to provide services beyond that which are explicitly provided by state law shall be accompanied by a fiscal note outlining the costs. The affected political subdivision, or an entity representing the affected political subdivision, shall cooperate in the preparation of the fiscal note. The fiscal note shall be submitted to the administrative rules coordinator for publication in the Iowa administrative bulletin along with the notice of intended action.

The fiscal note shall also be submitted to the legislative fiscal committee of the legislative council. Beginning in the first full fiscal year after adoption of the state administrative rule, the fiscal committee shall annually prepare a report for each fiscal note submitted detailing the fiscal impact of the administrative rule on the affected political subdivision, or agencies and entities which contract with the political subdivision to provide services. The report shall be transmitted to the governor and the general assembly.

Approved May 17, 1991