

CHAPTER 2

SCHOOL FINANCE — REGULAR STATE COST PER PUPIL — SCHOOL TRANSPORTATION FUNDING

H.F. 307

AN ACT relating to public school funding by modifying provisions relating to the regular program state cost per pupil, making appropriations to the transportation equity fund, establishing transportation data review and reporting requirements, and including effective date provisions.

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

Section 1. [Section 257.8, subsection 2](#), Code 2019, is amended to read as follows:

2. *Categorical state percent of growth.* The categorical state percent of growth for the budget year beginning July 1, 2016, is two and twenty-five hundredths percent. The categorical state percent of growth for the budget year beginning July 1, 2017, is one and eleven hundredths percent. The categorical state percent of growth for the budget year beginning July 1, 2018, is one percent. The categorical state percent of growth for each budget year shall be established by statute which shall be enacted within thirty days of the transmission of the governor's budget required by February 1 under [section 8.21](#) during the regular legislative session beginning in the base year. The categorical state percent of growth may include state percents of growth for the teacher salary supplement, the professional development supplement, the early intervention supplement, ~~and~~ the teacher leadership supplement, and for budget years beginning on or after July 1, 2020, transportation equity aid payments under [section 257.16C](#).

Sec. 2. [Section 257.8, subsection 5](#), paragraph b, Code 2019, is amended to read as follows:

b. For the budget year beginning July 1, 2018, and subsequent budget years, references to “*supplemental state aid*” and “*regular program state cost per pupil*” shall mean those terms as calculated including the additional amount amounts for the specified budget year ~~beginning July 1, 2018, years~~ under [section 257.9, subsection 2, paragraph “b”](#), and references to “*regular program district cost per pupil*” shall mean that term as calculated including any adjustments made under [section 257.10, subsection 2](#).

Sec. 3. [Section 257.9, subsection 2](#), Code 2019, is amended to read as follows:

2. *Regular program state cost per pupil for 1992-1993 and succeeding years.*

a. For the budget year beginning July 1, 1992, and succeeding budget years beginning before July 1, 2018, the regular program state cost per pupil for a budget year is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year.

b. For the budget year beginning July 1, 2018, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus five dollars.

c. For the budget year beginning July 1, 2019, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus five dollars.

~~e.~~ d. For the budget year beginning July 1, 2019 ~~2020~~, and succeeding budget years, the regular program state cost per pupil for a budget year is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year.

Sec. 4. [Section 257.16C, subsection 3](#), Code 2019, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. (1) For the fiscal year beginning July 1, 2019, there is appropriated from the general fund of the state to the department of management for deposit in the transportation equity fund the sum of nineteen million dollars, or so much thereof as is necessary, to be used for the purposes of [this section](#).

(2) For each fiscal year beginning on or after July 1, 2020, there is appropriated from the general fund of the state to the department of management for deposit in the transportation equity fund the sum of the following, or so much thereof as is necessary, to be used for the purposes of [this section](#):

(a) The amount appropriated to the transportation equity fund under this paragraph for the immediately preceding fiscal year.

(b) The product of the amount determined under subparagraph division (a) multiplied by the categorical percent of growth under [section 257.8, subsection 2](#), for the budget year beginning on the same date of the fiscal year for which the appropriation is made.

Sec. 5. [Section 257.16C](#), Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 7. On or before December 1, 2020, and on or before December 1 every five years thereafter, the director of the department of education shall compile and review the data collected as a result of the transportation equity aid and transportation base funding payments provided under [this section](#) and shall prepare a report to the general assembly containing analysis of the aid and the payments' efficacy and recommendations for changes.

Sec. 6. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved February 19, 2019