

Fiscal Note



Fiscal Services Division

HF 134 – School Bus Open Enrollment (LSB1362YH)

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Fiscal Note Version - New

Description

<u>House File 134</u> relates to the transportation to and from school of pupils participating in open enrollment. Current law authorizes a receiving school district to send school vehicles into the district of residence of a pupil who open enrolls and to transport the pupil to and from school in the receiving school district. The boards of directors of the school district where the student is a resident and receiving school district agree to this arrangement. The Bill strikes the requirement that the boards of directors of the resident school district and receiving school district agree to the arrangement.

Background

Districts are not required to transport students who do not reside in their district. Districts may transport nonresident students, but if they do, the district is required to charge the parents of that student a fee. The fee is determined by the average actual cost for all the children transported in all school buses in the district.

Open-enrolled students are entitled to transportation only if they fall below certain income thresholds. Those students' resident districts are required to provide transportation and have three options for providing that transportation:

- Provide bus transportation to the receiving school district.
- Allow buses from the receiving school district to enter their district lines to pick up the student.
- Provide reimbursement based on the formula found in Iowa Code section 285.1.

Approximately 38,000 lowa students were open-enrolled when certified enrollments were determined on October 1, 2022, for the 2022-2023 school year. Each of the 327 school districts in the State reported at least one student served through an open enrollment arrangement.

Assumptions

- The statewide average cost of transporting a student is \$843 for the 2022-2023 school year.
- It is unknown how many students wish to receive transportation services from the school district into which they have open enrolled but have been denied by their resident school district.

Fiscal Impact

There is no fiscal impact to the State.

There may be a fiscal impact to school districts that choose to provide transportation to students who open enroll. This cost cannot be determined, since it would vary across school districts and specific student situations. Additionally, the cost would be voluntarily incurred by school districts, since they are not required to provide the transportation. Those school districts could be reimbursed for at least part of the transportation cost by fees paid by parents of the student.

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Department of Education

| | /s/ Jennifer Acton |
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