

January 30, 1951.

House File 278

Schools, Libraries, State Educational Institutions. By MUNGER and NELSON of Woodbury.

Passed House, Date

Vote: Ayes..... Nays.....

Passed Senate, Date.....

Vote: Ayes..... Nays.....

Approved

A BILL FOR

An Act to permit school districts to grant adjusted salary or bonuses to teachers and employees in addition to the amounts specified in their contracts for the school year 1950-1951; and permitting school districts that do not and will not have sufficient available funds, to include such additional amount necessary to pay said adjusted salary or bonuses in their budget to be made up in July, 1951 under the heading or Item of "Additional Salary Allowance for 1950-1951," and providing that in the absence of fraud said Item and said amount shall not be questioned at the time of hearing on said budget and permitting said school districts to anticipate the collection of the amount in said Item by issuing warrants to their teachers and employees in a total amount not exceeding the amount in said Item as adjusted salary or bonus over the amount specified in their contracts, and providing that if said warrants are stamped "Unpaid for insufficient funds" that said warrants shall draw interest at the rate of four per cent (4%) per annum, and further providing that no purchaser, endorsee or assignee of said warrants shall either directly or indirectly purchase the same for less than the face value of said warrants and providing a penalty therefor.

WHEREAS, the various school districts in this state are required by law to submit written contracts to their teachers prior to April 10th of each year, and

WHEREAS, pursuant to said requirement, contracts were

entered into by said school districts with their teachers in the Spring of 1950 to take effect for the school year beginning on or about September 1, 1950 and ending or or about June 1, 1951, and

WHEREAS, since contracts were executed there has arisen a vast change in economic conditions in the nation caused by the international situation, and especially the outbreak of hostilities in Korea, and the cost of living has arisen to such an extent that an emergency has been created, none of which was in contemplation of the parties to said contracts at the time of the execution of the same, and

WHEREAS, many school districts are without funds to grant any additional benefits to their teachers other than as specified in said contracts and many of the best teachers are being forced out of the teaching profession to take positions in private industry where financial remuneration will enable them to support themselves and families, and the cause of education is being imperiled thereby and the whole state is confronted with a real emergency; now therefore,

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

1 Section 1. That any school district having sufficient
2 unobligated funds in its budget or other unobligated
3 nonbudgeted funds may grant to its teachers or other
4 employees such increases in salary or bonuses over the
5 amounts specified in their contracts as the Board of said
6 districts deem advisable and just; and said Boards are
7 hereby authorized to amend their budgets for the present
8 school year accordingly without the necessity of the ordinary
9 statutory procedure for amending the budget, anything in the
10 statutes to the contrary notwithstanding.

1 Sec. 2. That where said school districts do not and

2 will not have sufficient unobligated funds from their budgets
3 or from other unobligated nonbudgeted funds for the school
4 year of 1950-1951 they may, in making up their budgets in
5 July, 1951, include a separate Item entitled "Additional
6 Salary Allowance for 1950-1951" and may certify to the
7 Board of Supervisors, or the Levying Board, such an amount
8 as not to exceed what a levy of two (2) mills in said district
9 will produce. Said Item in said budget shall not, in the
10 absence of fraud, be open to objection at the time of hearing
11 on said budget, anything in the statutes to the contrary
12 notwithstanding. Said school districts may, in the present
13 school year of 1950-1951, anticipate the collection of
14 said emergency Item and issue warrants not exceeding the
15 amount to be certified as adjusted salary or bonuses to its
16 teachers and employees. Any such warrants that cannot be paid
17 for lack of funds shall be stamped by the treasurer of said
18 district "Unpaid for insufficient funds" and shall thereafter
19 draw interest at the rate of four per cent (4%) per annum.
20 It shall not be lawful for any purchaser, endorsee or assignee
21 of said warrants to purchase either directly or indirectly
22 said warrants at less than the face value of the same, under
23 penalty of forfeiture of interest.

1 Sec. 3. This Act being deemed of immediate
2 importance shall be in full force and effect from and after
3 its publication in the Sioux City Journal Tribune, a
4 newspaper published at Sioux City, Iowa, and in the

5 , a newspaper published in

6 Iowa.

EXPLANATION OF H. F. 278

At the time teachers' contracts were entered into in the spring of 1950 for the school year 1950-1951, neither the school boards nor the teachers were aware of the vast changes in economic conditions in the nation that were about to take place. Fairness to the teachers requires that additional benefits should be given them other than as specified in the contracts. The best interest of the public requires that additional benefits be given the teacher in order that the teachers will not be forced out of the schools to take positions in private industries where the financial remuneration will enable them to support themselves and families.