

HSB 157

Brunkhorst, Chr

Carroll

Mascher

EDUCATION

CC
ST 0576

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
EDUCATION BILL BY
CHAIRPERSON GRUNDBERG)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to certain school finance provisions and
2 providing an effective date.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 257.13, subsections 1 and 2, Code 2001,
2 are amended to read as follows:

3 1. For the school budget year beginning July 1, ~~2000~~ 2001,
4 and succeeding budget years, if a district's actual enrollment
5 for the budget year, determined under section 257.6, is
6 greater than its budget enrollment for the budget year, the
7 district shall be eligible to receive an on-time funding
8 budget adjustment. The adjustment shall be in an amount equal
9 to fifty percent of the difference between the actual
10 enrollment for the budget year and the budget enrollment for
11 the budget year, multiplied by the district cost per pupil.

12 2. The board of directors of a school district that wishes
13 to receive an on-time funding budget adjustment shall adopt a
14 resolution to receive the adjustment and notify the school
15 budget review committee by November 1, ~~2000~~ annually. The
16 school budget review committee shall establish a modified
17 allowable growth in an amount determined pursuant to
18 subsection 1.

19 Sec. 2. Section 257.14, subsection 1, Code 2001, is
20 amended to read as follows:

21 1. For the budget year commencing July 1, ~~2000~~ 2001, if
22 the department of management determines that the regular
23 program district cost of a school district for a budget year
24 is less than the total of the regular program district cost
25 plus any adjustment added under this section for the base year
26 for that school district, the school district shall be
27 eligible to receive a budget adjustment for that district for
28 that budget year up to an amount equal to the difference. The
29 board of directors of a school district that wishes to receive
30 a budget adjustment pursuant to this subsection shall
31 ~~notwithstanding-the-public-notice-and-hearing-provisions-of~~
32 ~~chapter-24-or-any-other-provision-to-the-contrary,~~ within
33 ~~thirty-days-following-April-6,-2000,~~ adopt a resolution to
34 receive the budget adjustment and immediately shall, by April
35 1, 2001, notify the department of management of the adoption

1 of the resolution and the amount of the budget adjustment to
2 be received.

3 Sec. 3. Section 257.14, subsection 2, Code 2001, is
4 amended by striking the subsection and inserting in lieu
5 thereof the following:

6 2. For the budget year commencing July 1, 2002, and
7 succeeding budget years, if the department of management
8 determines that the regular program district cost of a school
9 district for a budget year is less than one hundred one
10 percent of the regular program district cost for the base year
11 for that school district, a district shall be eligible for a
12 budget adjustment corresponding to the following schedule:

13 a. For the budget year commencing July 1, 2002, the
14 greater of the difference between the regular program district
15 cost for the budget year and one hundred one percent of the
16 regular program district cost for the base year, or eighty
17 percent of the difference between the amount calculated
18 pursuant to this paragraph "a" and the budget guarantee amount
19 for which the school district was eligible for the budget year
20 beginning July 1, 2001, pursuant to subsection 1.

21 b. For the budget year commencing July 1, 2003, the
22 greater of the difference between the regular program district
23 cost for the budget year and one hundred one percent of the
24 regular program district cost for the base year, or sixty
25 percent of the difference between the amount calculated
26 pursuant to this paragraph "b" and the budget guarantee amount
27 for which the school district was eligible for the budget year
28 beginning July 1, 2001, pursuant to subsection 1.

29 c. For the budget year commencing July 1, 2004, the
30 greater of the difference between the regular program district
31 cost for the budget year and one hundred one percent of the
32 regular program district cost for the base year, or forty
33 percent of the difference between the amount calculated
34 pursuant to this paragraph "c" and the budget guarantee amount
35 for which the school district was eligible for the budget year

1 beginning July 1, 2001, pursuant to subsection 1.

2 d. For the budget year commencing July 1, 2005, the
3 greater of the difference between the regular program district
4 cost for the budget year and one hundred one percent of the
5 regular program district cost for the base year, or twenty
6 percent of the difference between the amount calculated
7 pursuant to this paragraph "d" and the budget guarantee amount
8 for which the school district was eligible for the budget year
9 beginning July 1, 2001, pursuant to subsection 1.

10 e. For the budget year commencing July 1, 2006, and each
11 budget year thereafter, the difference between the regular
12 program district cost for the budget year and one hundred one
13 percent of the regular program district cost for the base
14 year.

15 For the purposes of this subsection, a school district
16 shall be eligible to apply the sixty, forty, and twenty
17 percent provisions in paragraphs "b", "c", and "d", only if
18 the school district received a budget adjustment for the
19 budget year beginning July 1, 2002, based on the eighty
20 percent provision in paragraph "a".

21 The board of directors of a school district that wishes to
22 receive a budget adjustment pursuant to this subsection shall
23 adopt a resolution to receive the budget adjustment and shall,
24 by April 1, annually, notify the department of management of
25 the adoption of the resolution and the amount of the budget
26 adjustment to be received.

27 Sec. 4. EFFECTIVE DATE. Section 2 of this Act, being
28 deemed of immediate importance, takes effect upon enactment.

29 EXPLANATION

30 This bill provides that for the school budget year
31 beginning July 1, 2001, and succeeding budget years, if a
32 school district's actual enrollment for the budget year is
33 greater than its budget enrollment for the budget year, the
34 school district is eligible to receive an on-time funding
35 budget adjustment in the form of a modified allowable growth

1 equal to 50 percent of the difference, multiplied by district
2 cost per pupil. This extends the current on-time funding
3 provision in Code section 257.13 for additional budget years.
4 The bill provides that in order to receive the on-time funding
5 budget adjustment, a school district board of directors must
6 adopt a resolution and notify the school budget review
7 committee by November 1, annually. Current law provides that
8 a school district which determines that a need exists for
9 additional on-time funding, beyond the on-time funding budget
10 adjustment for which the district is eligible, can submit a
11 request to the school budget review committee for additional
12 modified allowable growth pursuant to the provisions of Code
13 section 257.31.

14 The bill also provides for an extension of the 100 percent
15 budget guarantee provision currently in effect for an
16 additional school budget year. The bill provides that for the
17 school budget year beginning July 1, 2001, if the department
18 of management determines that the regular program district
19 cost of a school district for a budget year is less than its
20 regular program district cost with the budget guarantee
21 provision for the year preceding the budget year, the school
22 district is eligible to receive a budget adjustment up to an
23 amount equal to the difference. The bill provides that a
24 school district board of directors that wishes to receive this
25 budget adjustment shall adopt a resolution to receive the
26 adjustment and, by April 1, 2001, notify the department of
27 management of the adoption of the resolution and the amount of
28 the budget adjustment to be received.

29 The bill provides for changes with respect to the budget
30 guarantee provision for the school budget year beginning July
31 1, 2002, and succeeding budget years. The bill provides that
32 if the department of management determines that the regular
33 program district cost of a school district for a budget year
34 is less than its regular program district cost without the
35 budget guarantee provision for the year preceding the budget

1 year, the school district will be eligible to receive a budget
2 adjustment of up to 101 percent of the regular program
3 district cost for the year preceding the budget year. This
4 increases the budget guarantee amount from 100 percent to 101
5 percent, but removes the provision that a school district is
6 guaranteed an amount equivalent to its previous year's regular
7 program district cost with the budget guarantee received in
8 that year included. The bill provides, however, that for the
9 budget year beginning July 1, 2002, a school district shall be
10 eligible to receive up to the greater of either the 101
11 percent guarantee amount or 80 percent of the difference
12 between the 101 percent guarantee amount and the budget
13 guarantee amount for which the school district was eligible
14 for the budget year beginning July 1, 2001, when the budget
15 guarantee amount received in the prior year was included in
16 the guaranteed amount. The bill provides that this percentage
17 is reduced each succeeding budget year, until for the budget
18 year beginning July 1, 2006, a school district is eligible
19 solely for up to a 101 percent guarantee if the regular
20 program district cost for the budget year is less than the
21 regular program district cost for the preceding year without
22 the addition of the guaranteed amount for that year. The bill
23 provides that the option of utilizing the 60, 40, and 20
24 percent provisions is available only if a school district
25 utilized the 80 percent provision for the school budget year
26 beginning July 1, 2002. The bill provides that for the school
27 budget year beginning July 1, 2002, and succeeding budget
28 years, the board of directors of a school district that wishes
29 to receive a budget adjustment shall adopt a resolution and
30 notify the department of management of the adoption of the
31 resolution and the amount of the budget adjustment to be
32 received by April 1, annually.

33 The bill takes effect upon enactment.

34

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3/12/01
Referred to: Ways & Means

MAR 9 2001

Place On Calendar

HOUSE FILE 576
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 157)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to certain school finance provisions and
2 providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

HF 576

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1 Section 1. Section 257.3, subsection 2, Code 2001, is
2 amended to read as follows:

3 2. TAX FOR REORGANIZED AND DISSOLVED DISTRICTS.

4 Notwithstanding subsection 1, a reorganized school district
5 shall cause a foundation property tax of four dollars and
6 forty cents per thousand dollars of assessed valuation to be
7 levied on all taxable property which, in the year preceding a
8 reorganization, was within a school district affected by the
9 reorganization as defined in section 275.1, or in the year
10 preceding a dissolution was a part of a school district that
11 dissolved if the dissolution proposal has been approved by the
12 director of the department of education pursuant to section
13 275.55. In the year preceding the reorganization or
14 dissolution, the school district affected by the
15 reorganization or the school district that dissolved must have
16 had a certified enrollment of fewer than six hundred in order
17 for the four-dollar-and-forty-cent levy to apply. In
18 succeeding school years, the foundation property tax levy on
19 that portion shall be increased ~~twenty-cents-per-year-until-it~~
20 ~~reaches-the-rate-of~~ to the rate of four dollars and ninety
21 cents per thousand dollars of assessed valuation the first
22 succeeding year, five dollars and fifteen cents per thousand
23 dollars of assessed valuation the second succeeding year, and
24 five dollars and forty cents per thousand dollars of assessed
25 valuation the third succeeding year and each year thereafter.

26 For purposes of this section, a reorganized school district
27 is one which ~~absorbed~~ absorbs at least thirty percent of the
28 enrollment of the school district affected by a reorganization
29 or dissolved during a dissolution and in which action to bring
30 about a reorganization or dissolution ~~was-initiated-by-a-vote~~
31 ~~of-the-board-of-directors-or-jointly-by-the-affected-boards-of~~
32 ~~directors-prior-to-November-30,--1990,--and-the-reorganization~~
33 ~~or-dissolution-takes~~ is initiated by a vote of the board of
34 directors or jointly by the affected boards of directors to
35 take effect on or after July 1, ~~1991~~ 2002, and on or before

1 July 1, ~~1993~~ 2006. Each district which initiated, by a vote
2 of the board of directors or jointly by the affected boards,
3 action to bring about a reorganization or dissolution by
4 November 30, 1990 to take effect on or after July 1, 2002, and
5 on or before July 1, 2006, shall certify the date and the
6 nature of the action taken to the department of education by
7 September January 17, 1991 of the year in which the
8 reorganization or dissolution takes effect.

9 ~~A reorganized school district which meets the requirements~~
10 ~~of this section for reduced property tax rates, but failed to~~
11 ~~vote on reorganization or dissolution prior to November 30,~~
12 ~~1990, and failed to certify such action to the department of~~
13 ~~education by September 17, 1991, shall cause to be levied a~~
14 ~~foundation property tax of four dollars and sixty cents per~~
15 ~~thousand dollars of assessed valuation on all eligible taxable~~
16 ~~property pursuant to this section. In succeeding school~~
17 ~~years, the foundation property tax levy on that portion shall~~
18 ~~be increased twenty cents per year until it reaches the rate~~
19 ~~of five dollars and forty cents per thousand dollars of~~
20 ~~assessed valuation.~~

21 ~~The reduced property tax rates of reorganized school~~
22 ~~districts that met the requirements of section 442.2, Code~~
23 ~~1991, prior to July 1, 1991, shall continue to increase as~~
24 ~~provided in that section until they reach five dollars and~~
25 ~~forty cents.~~

26 Sec. 2. Section 257.3, subsection 3, Code 2001, is amended
27 by striking the subsection.

28 Sec. 3. Section 257.3, subsection 4, Code 2001, is amended
29 to read as follows:

30 4. RAILWAY CORPORATIONS. For purposes of section 257.1,
31 the "amount per pupil of foundation property tax" does not
32 include the tax levied under subsection 17-27 or 3 2 on the
33 property of a railway corporation, or on its trustee if the
34 corporation has been declared bankrupt or is in bankruptcy
35 proceedings.

1 Sec. 4. Section 257.11, subsection 2, paragraph c, Code
2 2001, is amended by striking the paragraph and inserting in
3 lieu thereof the following:

4 c. Pupils attending class for all or a substantial portion
5 of a school day pursuant to a whole grade sharing agreement
6 executed under sections 282.10 through 282.12 shall be
7 eligible for supplementary weighting pursuant to this
8 subsection as follows:

9 (1) A school district which was participating in a whole
10 grade sharing arrangement during the budget year beginning
11 July 1, 2001, and which adopts a resolution jointly with the
12 other affected boards to study the question of undergoing a
13 reorganization or dissolution to take effect on or before July
14 1, 2006, shall receive a weighting of one-tenth of the
15 percentage of the pupil's school day during which the pupil
16 attends classes in another district, attends classes taught by
17 a teacher who is jointly employed under section 280.15, or
18 attends classes taught by a teacher who is employed by another
19 school district. A district shall be eligible for
20 supplementary weighting pursuant to this subparagraph for a
21 maximum of two years. Receipt of supplementary weighting for
22 a second year shall be conditioned upon submission of
23 information resulting from the study to the school budget
24 review committee indicating progress toward the objective of
25 reorganization on or before July 1, 2006.

26 (2) A school district which was not participating in a
27 whole grade sharing arrangement during the budget year
28 beginning July 1, 2001, which executes a whole grade sharing
29 agreement pursuant to sections 282.10 through 282.12 for the
30 budget year beginning July 1, 2003, and which adopts a
31 resolution jointly with the other affected boards to study the
32 question of undergoing a reorganization or dissolution to take
33 effect on or before July 1, 2006, shall receive a weighting of
34 one-tenth of the percentage of the pupil's school day during
35 which the pupil attends classes in another district, attends

1 classes taught by a teacher who is jointly employed under
2 section 280.15, or attends classes taught by a teacher who is
3 employed by another school district. A district shall be
4 eligible for supplementary weighting pursuant to this
5 subparagraph for a maximum of three years. Receipt of
6 supplementary weighting for a second and third year shall be
7 conditioned upon submission of information resulting from the
8 study to the school budget review committee indicating
9 progress toward the objective of reorganization on or before
10 July 1, 2006.

11 Sec. 5. Section 257.11, Code 2001, is amended by adding
12 the following new subsection:

13 NEW SUBSECTION. 4A. REGIONAL ACADEMIES.

14 a. For the school budget year beginning July 1, 2002, and
15 succeeding budget years, in order to provide additional funds
16 for school districts in which a regional academy is located, a
17 supplementary weighting plan for determining enrollment is
18 adopted.

19 b. A school district which establishes a regional academy
20 shall be eligible to assign its resident pupils attending
21 classes at the academy a weighting of one-tenth of the
22 percentage of the pupil's school day during which the pupil
23 attends classes at the regional academy. For the purposes of
24 this subsection, "regional academy" means an educational
25 institution established by a school district to which multiple
26 schools send pupils in grades seven through twelve. A
27 regional academy shall include in its curriculum advanced-
28 level courses and may include in its curriculum vocational-
29 technical programs. The maximum amount of additional
30 weighting for which a school district establishing a regional
31 academy shall be eligible is an amount corresponding to
32 fifteen additional pupils.

33 Sec. 6. NEW SECTION. 257.11A SUPPLEMENTARY WEIGHTING AND
34 SCHOOL REORGANIZATION.

35 1. In determining weighted enrollment under section 257.6,

1 if the board of directors of a school district has approved a
2 contract for sharing pursuant to section 257.11 and the school
3 district has approved an action to bring about a
4 reorganization to take effect on and after July 1, 2002, and
5 on or before July 1, 2006, the reorganized school district
6 shall include, for a period of three years following the
7 effective date of the reorganization, additional pupils added
8 by the application of the supplementary weighting plan, equal
9 to the pupils added by the application of the supplementary
10 weighting plan in the year preceding the reorganization. For
11 the purposes of this paragraph, the weighted enrollment for
12 the period of three years following the effective date of
13 reorganization shall include the supplementary weighting in
14 the base year used for determining the combined district cost
15 for the first year of the reorganization. However, the
16 weighting shall be reduced by the supplementary weighting
17 added for a pupil whose residency is not within the
18 reorganized district.

19 2. For purposes of this section, a reorganized district is
20 one in which the reorganization was approved in an election
21 pursuant to sections 275.18 and 275.20 and takes effect on or
22 after July 1, 2002, and on or before July 1, 2006. Each
23 district which initiates, by a vote of the board of directors
24 or jointly by the affected boards, action to bring about a
25 reorganization or dissolution to take effect on or after July
26 1, 2002, and on or before July 1, 2006, shall certify the date
27 and the nature of the action taken to the department of
28 education by January 1 of the year in which the reorganization
29 or dissolution takes effect.

30 3. Notwithstanding subsection 1, a school district which
31 was participating in a whole grade sharing arrangement during
32 the budget year beginning July 1, 2001, and which received a
33 maximum of two years of supplementary weighting pursuant to
34 section 257.11, subsection 2, paragraph "c", shall include
35 additional pupils added by the application of the

1 supplementary weighting plan, equal to the pupils added by the
2 application of the supplementary weighting plan in the year
3 preceding the reorganization, for a period of four years
4 following the effective date of the reorganization.

5 4. A school district shall be eligible for a combined
6 maximum total of six years of supplementary weighting under
7 the provisions of this section and section 257.11, subsection
8 2, paragraph "c".

9 Sec. 7. Section 257.13, subsections 1 and 2, Code 2001,
10 are amended to read as follows:

11 1. For the school budget year beginning July 1, ~~2000~~ 2001,
12 and succeeding budget years, if a district's actual enrollment
13 for the budget year, determined under section 257.6, is

14 greater than its budget enrollment for the budget year, the
15 district shall be eligible to receive an on-time funding
16 budget adjustment. The adjustment shall be in an amount equal
17 to ~~fifty-percent-of~~ the difference between the actual
18 enrollment for the budget year and the budget enrollment for
19 the budget year, multiplied by the district cost per pupil.

20 2. The board of directors of a school district that wishes
21 to receive an on-time funding budget adjustment shall adopt a
22 resolution to receive the adjustment and notify the school
23 budget review committee by November 1, ~~2000~~ annually. The
24 school budget review committee shall establish a modified
25 allowable growth in an amount determined pursuant to
26 subsection 1.

27 Sec. 8. Section 257.14, subsection 1, Code 2001, is
28 amended to read as follows:

29 1. For the budget year commencing July 1, ~~2000~~ 2001, if
30 the department of management determines that the regular
31 program district cost of a school district for a budget year
32 is less than the total of the regular program district cost
33 plus any adjustment added under this section for the base year
34 for that school district, the school district shall be
35 eligible to receive a budget adjustment for that district for

1 that budget year up to an amount equal to the difference. The
2 board of directors of a school district that wishes to receive
3 a budget adjustment pursuant to this subsection shall,
4 notwithstanding the public notice and hearing provisions of
5 chapter 24 or any other provision to the contrary, within
6 thirty days following ~~April-67-2000~~ the effective date of this
7 Act, adopt a resolution to receive the budget adjustment and
8 immediately notify the department of management of the
9 adoption of the resolution and the amount of the budget
10 adjustment to be received.

11 Sec. 9. Section 257.14, subsection 2, Code 2001, is
12 amended by striking the subsection and inserting in lieu
13 thereof the following:

14 2. For the budget year commencing July 1, 2002, and
15 succeeding budget years, if the department of management
16 determines that the regular program district cost of a school
17 district for a budget year is less than one hundred one
18 percent of the regular program district cost for the base year
19 for that school district, a district shall be eligible for a
20 budget adjustment corresponding to the following schedule:

21 a. For the budget year commencing July 1, 2002, the
22 greater of the difference between the regular program district
23 cost for the budget year and one hundred one percent of the
24 regular program district cost for the base year, or ninety
25 percent of the regular program district cost as calculated for
26 the budget year beginning July 1, 2001, plus any adjustment
27 for that district as calculated under section 257.14 for that
28 year.

29 b. For the budget year commencing July 1, 2003, the
30 greater of the difference between the regular program district
31 cost for the budget year and one hundred one percent of the
32 regular program district cost for the base year, or eighty
33 percent of the regular program district cost as calculated for
34 the budget year beginning July 1, 2001, plus any adjustment
35 for that district as calculated under section 257.14 for that

1 year.

2 c. For the budget year commencing July 1, 2004, the
3 greater of the difference between the regular program district
4 cost for the budget year and one hundred one percent of the
5 regular program district cost for the base year, or seventy
6 percent of the regular program district cost as calculated for
7 the budget year beginning July 1, 2001, plus any adjustment
8 for that district as calculated under section 257.14 for that
9 year.

10 d. For the budget year commencing July 1, 2005, the
11 greater of the difference between the regular program district
12 cost for the budget year and one hundred one percent of the
13 regular program district cost for the base year, or sixty
14 percent of the regular program district cost as calculated for
15 the budget year beginning July 1, 2001, plus any adjustment
16 for that district as calculated under section 257.14 for that
17 year.

18 e. For the budget year commencing July 1, 2006, and each
19 budget year thereafter, the difference between the regular
20 program district cost for the budget year and one hundred one
21 percent of the regular program district cost for the base
22 year.

23 For the purposes of this subsection, a school district
24 shall be eligible to apply the eighty, seventy, and sixty
25 percent provisions in paragraphs "b", "c", and "d", only if
26 the school district received a budget adjustment for the
27 budget year beginning July 1, 2002, based on the ninety
28 percent provision in paragraph "a".

29 The board of directors of a school district that wishes to
30 receive a budget adjustment pursuant to this subsection shall
31 adopt a resolution to receive the budget adjustment and shall,
32 by April 1, annually, notify the department of management of
33 the adoption of the resolution and the amount of the budget
34 adjustment to be received.

35 Sec. 10. EFFECTIVE DATE. Section 8 of this Act, being

1 deemed of immediate importance, takes effect upon enactment.

2

EXPLANATION

3 This bill modifies several school finance provisions.

4 FOUNDATION PROPERTY TAX LEVY FOR REORGANIZED AND DISSOLVED
5 DISTRICTS. The bill provides that, in a school district which
6 reorganizes or dissolves and which had a certified enrollment
7 of fewer than six hundred pupils in the year prior to the
8 reorganization or dissolution, the uniform levy established at
9 \$5.40 per thousand dollars of assessed valuation shall be
10 lowered to \$4.40 per thousand dollars of assessed valuation,
11 and raised over the next three succeeding years until the
12 \$5.40 level is reached. The bill provides that a reorganized
13 school district shall be one which absorbs at least 30 percent
14 of the enrollment of the school district affected by a
15 reorganization or dissolution and in which action to bring
16 about the reorganization or dissolution is initiated to take
17 effect on or after July 1, 2002, and on or before July 1,
18 2006.

19 WHOLE GRADE SHARING WEIGHTING. The bill provides that a
20 school district which was participating in a whole grade
21 sharing arrangement during the budget year beginning July 1,
22 2001, and which adopts a resolution jointly with the other
23 affected boards to study the question of undergoing a
24 reorganization or dissolution to take effect on or before July
25 1, 2006, shall receive a weighting of one-tenth for a maximum
26 of two years, conditioned upon submission of information
27 resulting from the study to the school budget review committee
28 indicating progress toward the objective of reorganization on
29 or before July 1, 2006. The bill provides that a school
30 district which was not participating in a whole grade sharing
31 arrangement during the budget year beginning July 1, 2001,
32 which executes a whole grade sharing agreement pursuant to
33 sections 282.10 through 282.12 for the budget year beginning
34 July 1, 2003, and which adopts a resolution jointly with the
35 other affected boards to study the question of undergoing a

1 reorganization or dissolution to take effect on or before July
2 1, 2006, shall receive a weighting of one-tenth for a maximum
3 of three years, conditioned upon submission of information
4 resulting from the study to the school budget review committee
5 indicating progress toward the objective of reorganization on
6 or before July 1, 2006.

7 REGIONAL ACADEMY WEIGHTING. The bill provides that for the
8 school budget year beginning July 1, 2002, and succeeding
9 budget years, in order to provide additional funds for school
10 districts in which a regional academy is located, a school
11 district which establishes a regional academy shall be
12 eligible to assign its resident pupils attending classes at
13 the academy a weighting of one-tenth of the percentage of the
14 pupil's school day during which the pupil attends classes at
15 the regional academy. The bill provides that a regional
16 academy means an educational institution established by a
17 school district to which multiple schools send pupils in
18 grades seven through 12, which includes in its curriculum
19 advanced-level courses and may include in its curriculum
20 vocational-technical programs. The bill provides that the
21 maximum amount of additional weighting for which a school
22 district establishing a regional academy shall be eligible is
23 an amount corresponding to fifteen additional pupils.

24 REORGANIZATION SUPPLEMENTARY WEIGHTING. The bill provides
25 that if the board of directors of a school district has
26 approved a contract for sharing pursuant to section 257.11 and
27 the school district has approved an action to bring about a
28 reorganization to take effect on and after July 1, 2002, and
29 on or before July 1, 2006, the reorganized school district
30 shall include, for a period of three years following the
31 effective date of the reorganization, additional pupils added
32 by the application of supplementary weighting, equal to the
33 pupils added by the application of supplementary weighting in
34 the year preceding the reorganization.

35 The bill also provides that a school district which was

1 participating in a whole grade sharing arrangement during the
2 budget year beginning July 1, 2001, and which receives a
3 maximum of two years of supplementary weighting, shall include
4 additional pupils added by the application of the
5 supplementary weighting plan, equal to the pupils added by the
6 application of the supplementary weighting plan in the year
7 preceding the reorganization, for a period of four years
8 following the effective date of the reorganization. The bill
9 provides that a school district shall be eligible for a
10 combined maximum total of six years of supplementary weighting
11 for whole grade sharing prior to reorganizing and following a
12 reorganization.

13 ON-TIME FUNDING BUDGET ADJUSTMENT. The bill provides that
14 for the school budget year beginning July 1, 2001, and
15 succeeding budget years, if a school district's actual
16 enrollment for the budget year is greater than its budget
17 enrollment for the budget year, the school district is
18 eligible to receive an on-time funding budget adjustment in
19 the form of a modified allowable growth equal to the
20 difference, multiplied by district cost per pupil. This
21 extends the current on-time funding provision in Code section
22 257.13 for additional budget years, and increases the amount
23 from 50 to 100 percent of the difference. The bill provides
24 that in order to receive the on-time funding budget
25 adjustment, a school district board of directors must adopt a
26 resolution and notify the school budget review committee by
27 November 1, annually. Current law provides that a school
28 district which determines that a need exists for additional
29 on-time funding, beyond the on-time funding budget adjustment
30 for which the district is eligible, can submit a request to
31 the school budget review committee for additional modified
32 allowable growth pursuant to the provisions of Code section
33 257.31.

34 100 PERCENT BUDGET GUARANTEE. The bill also provides for
35 an extension of the 100 percent budget guarantee provision

1 currently in effect for an additional school budget year. The
2 bill provides that for the school budget year beginning July
3 1, 2001, if the department of management determines that the
4 regular program district cost of a school district for a
5 budget year is less than its regular program district cost
6 with the budget guarantee provision for the year preceding the
7 budget year, the school district is eligible to receive a
8 budget adjustment up to an amount equal to the difference.
9 The bill provides that a school district board of directors
10 that wishes to receive this budget adjustment shall adopt a
11 resolution to receive the adjustment and, within 30 days of
12 the bill's enactment, notify the department of management of
13 the adoption of the resolution and the amount of the budget
14 adjustment to be received. This portion of the bill takes
15 effect upon enactment.

16 101 PERCENT BUDGET GUARANTEE. The bill provides for
17 changes with respect to the budget guarantee provision for the
18 school budget year beginning July 1, 2002, and succeeding
19 budget years. The bill provides that if the department of
20 management determines that the regular program district cost
21 of a school district for a budget year is less than its
22 regular program district cost without the budget guarantee
23 provision for the year preceding the budget year, the school
24 district will be eligible to receive a budget adjustment of up
25 to 101 percent of the regular program district cost for the
26 year preceding the budget year. This increases the budget
27 guarantee amount from 100 percent to 101 percent, but removes
28 the provision that a school district is guaranteed an amount
29 equivalent to its previous year's regular program district
30 cost with the budget guarantee received in that year included.
31 The bill provides, however, that for the budget year beginning
32 July 1, 2002, a school district shall be eligible to receive
33 the greater of the difference between the regular program
34 district cost for the budget year and 101 percent of the
35 regular program district cost for the base year, or 90 percent

1 of the regular program district cost as calculated under Code
2 section 257.14 for that year. The bill provides that this
3 percentage is reduced each succeeding budget year, until for
4 the budget year beginning July 1, 2006, a school district is
5 eligible solely for up to a 101 percent guarantee if the
6 regular program district cost for the budget year is less than
7 the regular program district cost for the preceding year
8 without the addition of the guaranteed amount for that year.
9 The bill provides that the option of utilizing the 80, 70, and
10 60 percent provisions is available only if a school district
11 utilized the 90 percent provision for the school budget year
12 beginning July 1, 2002. The bill provides that for the school
13 budget year beginning July 1, 2002, and succeeding budget
14 years, the board of directors of a school district that wishes
15 to receive a budget adjustment shall adopt a resolution and
16 notify the department of management of the adoption of the
17 resolution and the amount of the budget adjustment to be
18 received by April 1, annually.

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