

Wise, Ch.  
Grundberg  
Boal

HSB 220

EDUCATION

Succeeded  
SF/HF 669

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 the acceptance and administration of trusts by  
2 a school corporation board of directors.

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

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1 Section 1. Section 279.42, Code 2001, is amended to read  
2 as follows:

3 279.42 GIFTS TO SCHOOLS -- TRUSTS.

4 1. The board of directors of a school district corporation  
5 which receives funds through gifts, devises, and bequests  
6 shall deposit these funds in a trust and agency fund and use  
7 them in accordance with the terms of the gift, devise, or  
8 bequest.

9 2. The board of directors of a school corporation may  
10 accept and administer trusts and may authorize nonprofit  
11 foundations acting solely for the support of the school  
12 corporation to accept and administer trusts deemed by the  
13 board to be beneficial to the operation of a school  
14 corporation. Notwithstanding section 633.63, the board and  
15 the nonprofit foundations may act as trustees in these  
16 instances. The board shall require that moneys belonging to  
17 such a nonprofit foundation are audited annually.

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#### EXPLANATION

19 This bill provides that the board of directors of a school  
20 corporation may accept and administer trusts and may authorize  
21 nonprofit foundations acting solely for the support of the  
22 school corporation to accept and administer trusts if  
23 determined by the board to be beneficial to the school  
24 corporation. The bill provides that notwithstanding Code  
25 section 633.63, which authorizes a specified list of  
26 individuals or entities to serve as a fiduciary, the board and  
27 the nonprofit foundations may act as trustees. These  
28 provisions would enable a school district board of directors  
29 to establish foundations to administer gifts and trusts for  
30 the benefit of the school corporation. The bill provides that  
31 the board shall require that moneys belonging to a nonprofit  
32 foundation are audited annually.

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5-3/26/01 Education  
5-4/4/01 Do Pass

5.4/12/01 UNFINISHED BUSINESS CALENDAR

MAR 20 2001  
Place On Calendar

HOUSE FILE 669  
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 220)

Passed House, <sup>(P. 875)</sup> Date 3-26-01 Passed Senate, Date \_\_\_\_\_  
Vote: Ayes 98 Nays 0 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

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