

FILED MAR 06 2006

SENATE FILE 2324  
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SF 2177)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to a school board member's employment as a  
2 substitute teacher in a school district.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2324

1 Section 1. Section 277.27, Code 2005, is amended to read  
2 as follows:

3 277.27 QUALIFICATION.

4 A member of the board shall, at the time of election or  
5 appointment, be an eligible elector of the corporation or  
6 subdistrict. Notwithstanding any contrary provision of the  
7 Code, a member of the board of directors of a school district  
8 shall not receive compensation directly from the school board  
9 unless the compensation is for part-time or temporary  
10 employment and does not exceed the limitation set forth in  
11 section 279.7A, subsection 2, or unless the board member is  
12 employed as a substitute teacher in accordance with section  
13 279.7A, subsection 4.

14 Sec. 2. Section 279.7A, Code 2005, is amended to read as  
15 follows:

16 279.7A INTEREST IN PUBLIC CONTRACTS PROHIBITED --  
17 EXCEPTIONS.

18 1. A member of the board of directors of a school  
19 corporation shall not have an interest, direct or indirect, in  
20 a contract for the purchase of goods, including materials and  
21 profits, and the performance of services for the director's  
22 school corporation. A contract entered into in violation of  
23 this section is void.

24 2. This section does not apply to contracts for the  
25 purchase of goods or services which benefit a director, or to  
26 compensation for part-time or temporary employment which  
27 benefits a director, if the benefit to the director does not  
28 exceed two thousand five hundred dollars in a fiscal year, and  
29 contracts made by a school board, upon competitive bid in  
30 writing, publicly invited and opened.

31 3. This section does not apply to a contract that is a  
32 bond, note, or other obligation of a school corporation if the  
33 contract is not acquired directly from the school corporation,  
34 but is acquired in a transaction with a third party, who may  
35 or may not be the original underwriter, purchaser, or obligee

1 of the contract, or to a contract in which a director has an  
2 interest solely by reason of employment if the contract is  
3 made by competitive bid in writing, publicly invited and  
4 opened, or if the remuneration of employment will not be  
5 directly affected as a result of the contract and the duties  
6 of employment do not directly involve the procurement or  
7 preparation of any part of the contract. The competitive bid  
8 qualification of this section does not apply to a contract for  
9 professional services not customarily awarded by competitive  
10 bid.

11 4. This section does not apply to the employment of a  
12 board member as a substitute teacher if the salary specified  
13 for the board member's substitute teacher employment is  
14 determined pursuant to the salary schedule adopted by the  
15 board of directors of the school district or negotiated under  
16 chapter 20.

17 EXPLANATION

18 This bill exempts a school board member who is employed by  
19 a school district as a substitute teacher and paid a salary  
20 determined under the school district's salary schedule from  
21 Code provisions which state that a member of the board of  
22 directors of a school corporation shall not have an interest,  
23 direct or indirect, in a contract for the performance of  
24 services for the director's school corporation, and which  
25 state that a board member shall not receive compensation  
26 directly from the school board.

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