

Legislative Services Agency: Major School Finance Law Changes (1971 - 2010)*

Year	Legislation File Number	Legislation Title	Summary
1971	HF 654	School Finance Formula Act	<ul style="list-style-type: none"> • Established Iowa's first foundation formula. • Required each district to levy a 20-mill foundation property tax (Uniform Levy). • Established a State foundation base at 70.0% of the State cost per pupil, increasing 1.0% annually to 80.0%. • State foundation aid base equaled the difference between the Uniform Levy plus miscellaneous income and the State foundation base. • Established a \$200 per pupil minimum aid. • Enrollment based on the second Friday in September. • State cost set at \$920 for FY 1971. • Established an income surtax to allow districts to increase maximum budget via elections.
1973	HF 359	School Foundation Program Act	<ul style="list-style-type: none"> • Established two alternate dates, September or January, for determining enrollment. • Removed miscellaneous income from the formula. • State cost set at \$903 for FY 1973. • Provided greater equalization by increasing the district cost that was below the State cost through 125.0% growth.
1974	HF 1121	School Foundation Program Act	<ul style="list-style-type: none"> • Established a declining enrollment provision. • Established the State percent of growth at 8.0% for FY 1975 and FY 1976.
	SF 1163	Area Education Agency Establishment Act	<ul style="list-style-type: none"> • Established Area Education Agencies (AEAs). • Established weighted pupil counts for special education children.
1975	HF 558	Elementary, Secondary, and Prekindergarten Education Act	<ul style="list-style-type: none"> • Removed driver education as a categorical aid. • Redefined the declining enrollment provision. • Established the State percent of growth at 10.7% for FY 1976 school year. • Set the State percent of growth based on changes in the Consumer Price Index and the State's revenues. • Expanded the enrichment levy to be funded by property taxes and income surtax. • Provided for advanced State aid to districts with increasing enrollments.
1979	HF 660	School Finance Provisions Act	<ul style="list-style-type: none"> • Redefined the declining enrollment provision. • Established the allowable growth based on changes in the Consumer Price Index for the FY 1981 through FY 1983 budget years. • Adjusted the State cost by adding \$20, \$6, \$7, and \$8 per pupil for FY 1981 through FY 1984 respectively. • Added a weighting plan for sharing teachers and pupils.

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1980	HF 2551	School Finance Provisions Act	<ul style="list-style-type: none"> Redefined the allowable growth calculation to be based on changes in State revenues and gross national product implicit deflator. Specified that changes were based on revenues only if revenues were less than the deflator. Froze the State foundation base for one year. Permitted the School Budget Review Committee to grant additional budget growth for gifted and talented programs. Removed the \$6 per pupil adjustment to State cost scheduled for FY 1982. Changed funding for AEA special education support services from budget to a per pupil basis with allowable growth added on a per pupil basis,
1981	HF 414	School Funding Provisions Act	<ul style="list-style-type: none"> Permitted districts to levy for a cash reserve not to exceed 7.5% of total expenditures. Froze the foundation base for the FY 1982 and FY 1983 budget years at the FY 1980 level. Established a 100.0% budget guarantee for FY 1983. Established allowable growth for the FY 1982 and FY 1983 at 5.0% and 7.0%. Froze the AEA special education support costs per pupil and the educational services budget at the FY 1981 level. Established educational services and media services budget growth as a per pupil amount based on the State allowable growth rate and established the respective budgets as an amount per pupil times the enrollment in an AEA. Provided for a supplemental school income surtax not to exceed \$75 per pupil based on the budget enrollment. Surtax required voter approval.
1982	SF 2088	School District Property Tax for Cash Reserve Act	<ul style="list-style-type: none"> Removed the 7.5% ceiling on the levy for cash reserve.
	SF 2146	State Cost Per Pupil Increase Act	<ul style="list-style-type: none"> Provided for a review of the cash reserve levy by the School Budget Review Committee. Adjusted the State cost per pupil by adding an additional \$6 to the already scheduled increases for the FY 1983 budget year.
	SF 2302	School District Budget Guarantee Act	<ul style="list-style-type: none"> Established a 100.0% budget guarantee for FY 1984.
1983	HF 562	Funding Available to School Districts Act	<ul style="list-style-type: none"> Established a 102.0% budget guarantee beginning with the FY 1986 budget. Adjusted the State cost per pupil by adding an additional \$8 for the FY 1985 school year. Permitted the School Budget Review Committee to grant additional growth for returning dropout programs. Included in the supplementary weighting plan resident pupils attending classes at a merged area school. Eliminated the 110.0% "catch-up" provision for those districts below the State cost per pupil for FY 1985.
1985	HF 682	School Enrollment Increases Calculation Act	<ul style="list-style-type: none"> Provided for a recalculation of budget enrollments for districts with a basic enrollment in the budget year that was 15.0% higher than the basic enrollment in the base year.

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1986	HF 2484	FY 1987 State Government Appropriations Act	<ul style="list-style-type: none"> Established the State foundation level at 81.5% in FY 1988 and provided for a 0.5% increase in the level for succeeding years up to 85.0%. Provided for a reduction in the Uniform Levy to \$4.40 for a school district, that reorganizes with an enrollment less than 600. Specified that the levy will increase \$0.20 per year up to \$5.40. Provided for a maximum property tax rate for additional property taxes and bonded indebtedness not to exceed current levels for any district reorganizing with an enrollment less than 600.
	HF 2462	Educational Cost Efficiencies Act	
1987	HF 499	Education Funding Act	<ul style="list-style-type: none"> For FY 1990, redefined the enrollment decline cushion to 20.0% of the basic enrollment for FY 1980, plus the greater of 80.0% of the preceding year or second preceding year. Redefined the budget guarantee to 10.5% of the prior year's budget for FY 1989. Succeeding years authorized at 101.0%. Increased the enrichment levy from 10.0% to 15.0% of the State cost per pupil. However, specified that the increase could only be used to replace funds lost to changes in enrollment decline cushion and budget guarantee decrease. Provided for a maximum supplemental cumulative weight of 25 pupils for administrator sharing, if more than two districts are involved. Established a supplemental weight of 0.2 for non-English speaking students. Repealed the School Foundation Aid Formula effective June 30, 1991. Provided a \$92.0 million appropriation for Educational Excellence (Phases I, II, and III). Reduced all State appropriations including State aid to schools by 0.1%.
	HF 671	FY 1988 Appropriations and Other Provisions Act	
1988	SF 2312	FY 1989 Education Appropriations Act	<ul style="list-style-type: none"> Removed the funding advance for increased special education student weightings determined on December 1 of each year. Specified that districts may request additional allowable growth (spending authority) through the School Budget Review Committee. Delayed the effective date of implementing a supplementary weighting of 0.2 for non-English speaking students until FY 1990. Eliminated the 3.0% budget enrollment restriction on the identification of talented and gifted students. Changed the budget limit calculation to 1.2% times the district cost times the budget enrollment. Set a State aid reduction penalty for each day a district starts earlier than Iowa Code permits.
	HF 2419	School Finance Provisions Act	

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1989	SF 59 HF 535	School District Open Enrollment Act School and Area Education Agency Financing Act	<ul style="list-style-type: none"> • Provided for open enrollment of any child between Iowa school districts. • Established a new State school foundation formula effective July 1, 1991. • The new formula retained some features of the existing formula and either eliminated or revised other features. • Continued the funding on a per pupil basis and retained the use of a foundation level of funding, using a uniform property tax levy rate of \$5.40 per thousand dollars of taxable valuation in the district and State aid to provide funding up to the foundation base. Required funding beyond the State foundation base be provided by a property tax levy (additional levy). • Established the State foundation base level at 83.5% of the regular program State cost per pupil for FY 1992 and increased the foundation level 0.25% per year up to 85.0% of the State cost per pupil. • Minimum State aid was increased from \$200 to \$300. • Specified the budget enrollment be determined by the district's headcount from the previous September. • Specified that districts with declining enrollments, that headcount be increased using a five-year declining enrollment matrix based on the magnitude of the decline and the years since the decline occurred. • Specified that districts with an increase in enrollment be entitled to advanced funding for their additional students. • Specified that the district cost under the old formula be divided by the district's budget enrollment determined under the new formula to determine a new district cost per pupil. Noted that If the new district cost per pupil was less than the State cost per pupil, the district cost per pupil is increased to the State cost per pupil. Specified that If the new district cost per pupil was more than 110.0% of the State cost per pupil, it be reduced to 110.0% of the State cost per pupil. • Required the State cost per pupil for the first year be determined by adding each district cost per pupil under the old formula and divide that sum by the budget enrollments of all districts determined under the new formula. • Specified the State percents of growth for FY 1992 and FY 1993 be determined by September 15, 1990, by calculating actual and projected changes in the State general fund revenues and in the gross national product implicit price deflator. Specified that each succeeding September 15, the State percent of growth be calculated for the school year beginning 21.5 months later. • Specified for districts with a district cost per pupil greater than 105.0% of the State cost per pupil, the State percent of growth used to determine the allowable growth be reduced by 2.0%. • Established a budget guarantee of 101.0% for FY 1992 and 100.0% for FY 1993.

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			<ul style="list-style-type: none"> Specified that beginning in FY 1992, property tax adjustment State aid be given to districts with property taxes greater under the new formula compared to the old formula. Reduced property tax adjustment aid in future years based on growth in taxable valuations within the school district. Required that special education and non-English weightings be recalculated. Specified Non-English weightings be limited to three years. Established an Instructional Support Program that provided additional spending authority. Limited funding for the Program to 10.0% of the district cost plus budget adjustment. Specified that a district not have both an Instructional Support Program and an Enrichment Program. Established the Educational Improvement Program for districts with a district cost per pupil that is 110.0% of the State cost per pupil and have approved an Instructional Support Program. Specified that the School Budget Review Committee's (SBRC) authority under the old law continued. Added additional SBRC duties that included implementation of the use of Generally Accepted Accounting Principles (GAAP) by districts and AEAs. The SBRC also received an appropriation for transportation assistance. Appropriated \$8.7 million for FY 1991 and \$11.2 million plus a growth amount for each year thereafter, for at-risk children. Authorized the Physical Plant and Equipment levy to be used for purposes similar to the site levy and 67.5 cent schoolhouse levy in the old law. Authorized the Management Levy for unemployment benefits, retirement incentives, insurance, and judgments. Provided growth based on the State percent of growth for Phase II. Additionally, provided growth for Phase II if the district or AEA included a performance-based pay component. The Governor item vetoed the funding provisions for media services and educational services of the AEA leaving no funding mechanism for these services.
1990	SF 2306	Open Enrollment Act	<ul style="list-style-type: none"> Modified the open enrollment law including student funding provisions. Authorized districts to apply to the SBRC for additional allowable growth for a student's tuition amount if that student was not included in the district's enrollment count from the preceding year.
	HF 2068	School Finance Tech. Corrections Act	<ul style="list-style-type: none"> Made technical corrections to the new school finance formula.
1991	SF 141	AEA Education Program Services Funding Act	<ul style="list-style-type: none"> Provided a funding formula for media and educational services provided through the AEAs under the school foundation aid formula.

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1992	SF 2320	State Aid to School Corporations Act	<ul style="list-style-type: none"> • Eliminated the State aid advance for increasing enrollment for FY 1993. • Eliminated the adjustments in budget enrollment for decreasing enrollment for FY 1993. • Reduced the instructional support State aid by 3.5% for FY 1993. • Required school districts to provide educational services to children in psychiatric units or institutions and count these children in the school's basic enrollment. • Established a 100.0% budget guarantee for FY 1994. • Eliminated the requirement that State foundation aid be paid in ten equal installments and allowed the last payment to be made on or about June 15. • Reduced the appropriation for the Educational Excellence Program by \$12.0 million (13.0%)
	SF 2371	State School Aid Payments Act	
	SF 2393	Misc.Appropriations and Reductions Act	<ul style="list-style-type: none"> • Authorized districts to charge tuition for driver education. • Modified provisions of open enrollment.
	HF 2384	Miscellaneous School Provisions Act	
	HF 2412	Education Finance Act	<ul style="list-style-type: none"> • Required the Department of Management to adjust school district budgets for an adjustment in enrollment determined in an annual school district audit.
	HF 2486	FY 1993 Standing Appropriations and Other Provisions Act	<ul style="list-style-type: none"> • Required pupils receiving private instruction from a licensed practitioner provided through a school district be counted as 0.6 of a pupil and pupils receiving dual enrollment be counted as 0.1 of a pupil.
1993	SF 64	School Finance Deadlines Act	<ul style="list-style-type: none"> • Changed school deadlines to match the changes in certifying school budgets from March 15 to April 15.
	SF 425	FY 1994 Standing Appropriations Act	<ul style="list-style-type: none"> • Reduced the standing appropriation for the Educational Excellence Program by \$750,000.
	HF 22	FY 1994 State School Aid Allowable Growth and Provisions Act	<ul style="list-style-type: none"> • Provided a unified levy reduction for certain reorganized districts. • Established a State percent of growth equal to 2.1% for FY 1994. The allowable growth language was rewritten in 1992, stating that the State percent of growth for a budget year shall be established by statute within 30 days of the submission in the base year of the Governor's budget to the General Assembly.
1994	SF 2041	FY 1995 State School Aid Allowable Growth Act	<ul style="list-style-type: none"> • Established a State percent of growth equal to 2.85% for FY 1995.
	SF 2201	Funding for Gifted and Talented Programs Act	<ul style="list-style-type: none"> • Increased the funding level for the gifted and talented program from 1.2% to 1.24% of the district cost per pupil.
	SF 2234	Department of Education Activities and Procedures Act	<ul style="list-style-type: none"> • Allowed carryover of special education fund balances of up to 10.0%
	HF 2308	School District Fund Structure Act	<ul style="list-style-type: none"> • Established funds for GAAP purposes to be used for FY 1996. The statutory general fund and statutory school house funds were replaced with these newly established funds.

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1995	SF 17 SF 83	FY 1996 School Aid Allowable Growth Act Budget Guarantee Provision Act	<ul style="list-style-type: none"> Established a State percent of growth equal to 3.5% for FY 1996,. Extended the 100.0% budget guarantee to FY 1996 and FY 1997. A 101.0% budget guarantee was also established for FY 1996 with the additional 1.0% paid by the State rather than raised through property taxation. Established a State percent of growth equal to 3.3% for FY 1997.
	SF 460	FY 1997 School Aid Allowable Growth and Provisions Act	
1996	SF 2063	School Improvement Technology Program Act	<ul style="list-style-type: none"> Appropriated \$30.0 million for FY 1997 and created a standing limited appropriation of \$30.0 million for each of the next four fiscal years through FY2001. Established a State percent of growth of 3.5% for FY 1998 and FY 1999. Increased the regular program foundation base for purposes of the school aid program from 83.0% to 87.5%. Created education motor vehicle registration plates and provided that moneys collected from the sale of the plates be remitted to the School Budget Review Committee (SBRC) to be used for transportation assistance.
	SF 2082	FY 1998 and FY 1999 School Aid Allowable Growth Act	
	SF 2449	Tax Revisions Act	
	HF 514	Special Registration Plates Act	
1997	SF 189 SF 531	School Budget Guarantee Act Physical Plant and Equipment Levy Act	<ul style="list-style-type: none"> Extended the 100.0% budget guarantee through FY 1998 and FY 1999. Increased the voter-approved physical plant and equipment levy from \$0.67 per \$1,000 of taxable valuation to \$1.34 per \$1,000 of taxable valuation.
	SF 2094 HF 2282	FY 2000 School Aid Allowable Growth Act School Infrastructure Funding Act	
1998	SF 2094 HF 2282	FY 2000 School Aid Allowable Growth Act School Infrastructure Funding Act	<ul style="list-style-type: none"> Established the allowable growth rate at 3.0% for FY 2000. Allowed the imposition of a local sales and services tax by a county to be utilized for school infrastructure purposes subject to a vote of the people.

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1999	HF 743	Early Intervention Block Grant Act	<ul style="list-style-type: none"> • Appropriated \$10.0 million in FY 2000 for the Early Intervention Block Grant (Class Size Reduction) Program. The Act also made appropriations of \$20.0 million for FY 2001 and \$30.0 million each for FY 2002 and FY 2003. • Appropriated \$30.0 million for FY 2002 and FY 2003 for the School Improvement Technology Block Grant Program. • Required school districts report fourth grade proficiency levels to the school community. • Required each school district to include a technology plan as part of the annual report submitted to the Department of Ed. • Specified that the Early Intervention Block Grant Program be repealed at the end of FY 2003.
	HF 146	FY 2001 School Aid Allowable Growth Act	<ul style="list-style-type: none"> • Established the FY 2001 allowable growth rate at 4.0% (FY 2001 State cost per pupil = \$4,298).
	HF 147	FY 2000 On-Time Funding and Budget Guarantee Act	<ul style="list-style-type: none"> • Provided 100.0% budget guarantee for school districts with declining enrollment and funded it through State aid. • Appropriated up to \$4.0 million for on-time funding for school districts with an increased enrollment for FY 2000. Required the Dept. of Management to reduce FY 2001 State aid to school districts that received State aid for on-time funding in FY 2000.
	SF 459	School Aid Foundation Formula Revision Act	<ul style="list-style-type: none"> • <i>Increased the regular program foundation level from 87.5% to 88.0% and the special education program foundation level from 79.0% to 88.0% beginning in FY 2000 - VETOED.</i> • As a result of the Governor's line item veto, the special education program foundation level was increased to 87.5% beginning in FY 2000. • Added \$38 to the FY 2000 State cost per pupil to include gifted and talented funding in each district's combined district cost. Specified additional requirements for the gifted and talented program including the requirement that districts provide at least 25.0% of the program costs from the regular program district cost. • <i>Provided a standing appropriation of up to \$13.0 million annually to provide on-time funding for special education programs beginning in FY 2001 - VETOED.</i>
	HF 782	FY 2000 Standing Appropriations Act	<ul style="list-style-type: none"> • Required the General Assembly to address funding for alternative high school programs no later than March 1, 2000.

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2000	HF 2549	FY 2001 Education Appropriations Act	<ul style="list-style-type: none"> Required the Dept.of Education to report and submit recommendations for AEA reorganization.
	HF 2039	FY 2000 Deappropriations Act	<ul style="list-style-type: none"> Deappropriated \$425,000 from Phase III of the Educational Excellence Program for FY 2000.
	HF 2496	At-Risk Supplementary Weighting Act	<ul style="list-style-type: none"> Modified the codified supplementary weighting plan by specifying district-to-district sharing and district to community college sharing beginning in FY 2001. Created at-risk supplementary weighting beginning in FY 2001. Required at-risk weightings be calculated by the Department of Management and be based on grades 1-6 free/reduced price lunch eligibility and the budget enrollment of the district.
	SF 2082	FY 2002 School Aid Allowable Growth Act	<ul style="list-style-type: none"> Established the FY 2002 allowable growth rate at 4.0% (FY 2002 State cost per pupil = \$4,512).
	SF 2111	FY 2001 School Budget Guarantee Act	<ul style="list-style-type: none"> Provided a budget guarantee provision for FY 2001. Permitted districts to levy a budget guarantee that would provide funding at 100.0% of the FY 2000 total regular program district cost.
	SF 2452	FY 2001 Standing Appropriations Act	<ul style="list-style-type: none"> Decreased the FY 2001 standing appropriation for Educational Excellence by \$2.0 million.
2001	HF 755	FY 2002 Standing Appropriations Act	<ul style="list-style-type: none"> Reduced the General Fund State aid allocation to AEAs by \$7.5 million for FY 2002 for the special education support services program. Required the Department of Management to prorate the reduction based on the total funding each AEA received. Specified that AEAs could use funds from the media services program and the educational services program to maintain support for the special education support services program. <i>Reduced the FY 2002 General Fund appropriation to the Early Intervention Block Grant Program (Class Size Reduction) by \$10.0 million - VETOED. The veto resulted in an appropriation totaling \$30.0 million for the Program in FY 2002.</i> Reduced the FY 2002 General Fund appropriation to the School Improvement Technology Block Grant Program by \$20.0 million. The Program received a \$10.0 million appropriation for FY 2002. <i>Reduced the FY 2002 standing General Fund appropriation for Phase III of Educational Excellence by \$2.0 million - VETOED.</i> Authorized a school board of a school district that is contiguous to or is within a reorganized area education agency (AEA) to petition the school district's current area education agency Board and the reorganized area education agency's Board to join the reorganized area education agency. With approval of both AEA boards, the reorganization would take effect on July 1 following approval by the State Board of Education. School were authorized to appeal decisions to the State Board. Required a municipality certify to the county auditor the amount of PPEL revenue necessary to make bond payments. Beginning in FY 2001, permitted school districts to retain PPEL revenue from a TIF area unless revenue is required for TIF bond payments.
	HF 191	FY 2003 School Aid Allowable Growth Rate Act	<ul style="list-style-type: none"> Established the FY 2003 allowable growth rate at 4.0% (originally established the FY 2003 State cost per pupil = \$4,692). The rate was reduced to 1.0% during the 2002 Legislative Session in SF 2315 (reestablished the FY 2003 State cost per pupil = \$4,557).

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	SF 203	School Finance Provisions Act	<ul style="list-style-type: none"> • Established Uniform Levy rate incentives for school districts that reorganize between FY 2003 and FY 2007. Required eligible school districts to have enrollments less than 600. • Provided supplementary weighting for school districts that have studied reorganization or dissolution. Permitted districts to receive the supplementary weighting for a maximum of three years through FY 2007. • Provided supplementary weighting for school districts that reorganized between FY 2003 and FY 2007 and previously participated in a whole grade sharing agreement with the intent of reorganizing. • Established supplementary weighting for Regional Academies. • Established an annual on-time funding procedure for school districts with increased enrollments. • Established a 100.0% budget guarantee for FY 2002 - FY 2004 to be funded through local property taxes. • Created a phase-out of the budget guarantee provision. Beginning in FY 2005, the phase-out decreased the budget guarantee percentage by 10.0% points annually until eliminated by FY 2014. • Created the 101.0% budget adjustment to begin in FY 2005. The budget adjustment is based on the previous year's regular program amount not including the previous year's budget adjustment in the total.
	HF 413	Student Achievement and Teacher Quality Appropriations Act	<ul style="list-style-type: none"> • Appropriated \$40.0 million from the Healthy Iowans Tobacco Trust fund for the Student Achievement Teacher Quality (SATQ) Program for FY 2002.
	HF 476	Student Achievement and Teacher Quality Policy Act	<ul style="list-style-type: none"> • Created the Student Achievement and Teacher Quality Program. Established new minimum salary levels for Iowa public school teachers (beginning teacher salary level set at \$24,500 and career teacher salary level set at \$26,500). • Established new minimum salary levels for Iowa public school teachers.
	EO # 24	Executive Order Number 24	<ul style="list-style-type: none"> • The Governor issued Executive Order #24 that specified a 4.3% General Fund across-the-board reduction for FY 2002 (ordered and implemented 11/1/2001).

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2002	HF 759	FY 2002 Appropriations Adjustment Act	<ul style="list-style-type: none"> Restored the 4.3% across-the-board reduction of \$1.3 million for the FY 2002 Early Intervention Block Grant Program (Class Size Reduction). Restored the 4.3% across-the-board reduction of \$636,000 for the FY 2002 State aid portion of the Instructional Support Program. Restored the 4.3% across-the-board reduction of \$3.5 million for the FY 2002 Educational Excellence Program. Restored the 4.3% across-the-board reduction of \$430,000 for the FY 2002 School Improvement Technology Program. Allowed school districts the flexibility to expend funds received for School Technology, Class Size Reduction, and Educational Excellence Programs for any school general fund purpose with local board approval. Applied only to FY 2002.
	HF 2625	FY 2002 Adjustments and Transfers Act	<ul style="list-style-type: none"> <i>Removed the statutory requirement that the State percent of allowable growth for the School Foundation Aid Program be enacted with 30 days of the submission of the Governor's budget to the General Assembly - VETOED.</i>
	SF 2304	FY 2002 Budget Adjustment Act	<ul style="list-style-type: none"> Appropriated \$44.9 million from the Economic Emergency Fund to supplant General Fund dollars for the FY 2002 School aid appropriation.
	SF 2326	FY 2003 Omnibus Appropriations Act	<ul style="list-style-type: none"> Appropriated \$7.75 million from the General Fund SATQ Program for FY 2003. Reduced the FY 2003 standing appropriation for Educational Excellence by \$11.75 million. Specified that the reduction be applied to Phase III of the Program. Eliminated the FY 2003 standing appropriation for the School Improvement and Technology Program (\$10.0 million) and repealed the Program effective at the end of FY 2002.
	HF 2404	Limited English Proficient Student Weighting Act	<ul style="list-style-type: none"> Increased the school finance formula weighting for limited English proficient students from 0.19 to 0.22 beginning with enrollment counts in September 2002 (impacting FY 2004).
	SF 2315	FY 2003 School Foundation Aid Act	<ul style="list-style-type: none"> Reduced the FY 2003 allowable growth rate to 1.0%. The 2001 General Assembly previously set the FY 2003 rate at 4.0%. Continued the \$7.5 million AEA reduction for Special Education Support services for FY 2003 and FY 2004. Allowed AEAs to use funds from media services and education services to maintain the level of funding required for the special education support services program in FY 2003 and FY 2004. Capped the FY 2003 State school aid appropriation at \$1,784.1 million. Appropriated \$20.0 million from wagering tax revenues and \$25.0 million from the Economic Emergency Fund to be used to supplant General Fund dollars for the FY 2003 school aid appropriation.
	SF 2328	FY 2004 School Aid Allowable Growth Rate Act	<ul style="list-style-type: none"> Established the FY 2004 allowable growth rate at 2.0% (FY 2004 State cost per pupil = \$4,648).

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2003	HF 662	FY 2004 Education Appropriations Act	<ul style="list-style-type: none"> • Appropriated \$44.3 million for the SATQ Program. • Extended the sunset of the Early Intervention Block Grant (Class Size Reduction) Program for one year (until the end of FY 2004). House File 458 appropriated \$30.0 million for the Program for FY 2004. • Authorized the Uniform Levy reorganization incentive to districts with enrollments of greater than 600 if merging with a district of less than 600 students. • Extended whole-grade sharing supplementary weighting through FY 2006. • Eliminated Phase III of the Educational Excellence Program beginning with FY 2004. • Established the FY 2005 allowable growth rate at 2.0% (FY 2005 State cost per pupil = \$4,741). • Amended the School Infrastructure Local Option Sales Tax (SILO) law by creating a shared financing program and created the Secure an Advanced Vision for Education (SAVE) Fund. • Established a formula and set a Statewide tax revenue per student at \$575. Specified that if funding levels were not sufficient, the monies be distributed to school districts with the lowest sales tax capacity per student. • Provided \$15.0 million annually for school infrastructure (in conjunction with SF 445) for fifteen years beginning with FY 2005. This included a \$10.0 million RIIF appropriation (FY 2005 - FY 2014) to the Secure an Advanced Vision for Education (created in SF 445) and \$5.0 million from the General Fund to the SAVE Fund from revenues generated from entering into the streamlined sales tax agreement and after the Grow Iowa Values Fund has received its appropriation. • Reduced AEA special education support services fund balances by a total of \$10.0 million but provided for the use of unreserved fund balances for media services and education services to maintain the level of required special education services. • Made the \$7.5 million State aid reduction to AEAs a permanent reduction beginning in FY 2004. • Appropriated \$30.0 million for the Early Intervention Block Grant (Class Size Reduction) Program for FY 2004. • Reduced the FY 2004 appropriation for Educational Excellence to \$56.9 million. This reflected the elimination of Phase III implemented in HF 549. • The Governor issued Executive Order #31 that specified a 2.5% General Fund across-the-board reduction for FY 2004 (ordered on 10/14/2003 and implemented 10/10/2003).
	HF 549	Department of Education Statutory Revisions Act	
	SF 211	FY 2005 School Aid Allowable Growth Rate Act	
	SF 445	School Infrastructure and Property Tax Relief Act	
	HF 683	Grow Iowa Values Fund Act	
	SF 453	Reinvention of Government Act	
	SF 458	FY 2004 Standing Appropriations Act	
	EO # 31	Executive Order Number 31	

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2004	SF 2124	FY 2006 School Aid Allowable Growth Rate and Other School Funding Provisions Act	<ul style="list-style-type: none"> • <i>The Governor vetoed SF 2124.</i>
	SF 2298	FY 2005 Omnibus Appropriations Act	<ul style="list-style-type: none"> • <i>Established the FY 2006 allowable growth rate at 2.0% (FY 2006 State cost per pupil = \$4,836) - VETOED.</i> • <i>Capped the FY 2005 State school aid appropriation at \$1,881.7 million - VETOED.</i> • <i>Capped the FY 2006 State school aid appropriation at \$1,926.5 million - VETOED.</i> • <i>Required that \$10.0 million of the State school aid appropriation be allocated for textbooks and supplies - VETOED.</i> • <i>Required an AEA reduction of \$11.8 million for FY 2005 - VETOED.</i> • <i>Appropriated \$45.3 million for the SATQ Program in FY 2005.</i> • <i>Extended the sunset for the Early Intervention Block Grant (Class Size Reduction) Program for one year (until the end of FY 2005). Appropriated \$29.3 million for the Program for FY 2005.</i> • <i>Established the FY 2006 allowable growth rate at 4.0% (FY 2006 State cost per pupil = \$4,931).</i> • <i>Required an AEA reduction of \$11.8 million for FY 2005.</i> • <i>Limited the FY 2005 State aid appropriation to \$14.4 million for the Instructional Support Program.</i> • <i>Limited the FY 2005 General Fund appropriation to \$55.5 million for the Educational Excellence Program.</i>
	EO # 36	Executive Order Number 36	<ul style="list-style-type: none"> • <i>The Governor issued Executive Order #36 which reinstated 10.0% of the original 2.5% General Fund across-the-board reduction for FY 2004 (resulting in a 2.25% across-the-board reduction for FY 2004). This was ordered on June 25, 2004, and implemented on June 24, 2004.</i>
2005	HF 882	FY 2006 Standings Appropriations Act	<ul style="list-style-type: none"> • <i>Limited the FY 2006 State aid appropriation to \$14.4 million for the Instructional Support Program.</i> • <i>Limited the FY 2006 General Fund appropriation to \$55.5 million for the Educational Excellence Program.</i> • <i>Reduced State aid to AEAs by \$11.8 million for FY 2006.</i> • <i>Extended the sunset on the Early Intervention Block Grant (Class Size Reduction) Program for one year (until the end of FY 2006). Appropriated \$29.3 million for the Program for FY 2006.</i> • <i>Eliminated the \$5.0 million General Fund standing appropriation to the SAVE Fund originally created in HF 683 during the 2003 Legislative Session. Specified the elimination was retroactive to FY 2005.</i>
	SF 36	FY 2007 School Foundation Allowable Growth Rate Act	<ul style="list-style-type: none"> • <i>Established the FY 2007 allowable growth rate at 4.0% (FY 2007 State cost per pupil = \$5,128).</i>
	HF 816	FY 2007 Education Appropriations Act	<ul style="list-style-type: none"> • <i>Appropriated \$24.3 million for the SATQ Program in FY 2006.</i> • <i>Specified that \$10.0 million of SATQ appropriation is allocated for adding one additional teacher contract day to the school calendar.</i>

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2006	HF 2792	Government Operations and Education Programs Act	<ul style="list-style-type: none"> • Provided additional property tax relief through the school aid formula. Appropriated \$6.0 million for FY 2007, \$12.0 million for FY 2008, \$18.0 million for FY 2009, and \$24.0 million for FY 2010 and future fiscal years. Designated funding for property poor school districts. • Extended (from three to four years) the number of years a student may be eligible to receive Limited English Proficient (LEP - also referred to as English-as-a-Second-Language or ESL) weighting (0.22). • Appropriated \$104.3 million for the SATQ Program for FY 2007, \$139.3 million for FY 2008, and \$174.3 million for FY 2009. • Specified that of the SATQ appropriation, \$3.4 million in FY 2007, \$7.5 million in FY 2008, and \$10.0 million in FY 2009 be used for market factor salaries. • Increased the minimum teacher salary levels by \$1,000 for FY 2007.
	HF 2797	FY 2007 Standing Appropriations Act	<ul style="list-style-type: none"> • Beginning in FY 2007, allowed school districts required to repay property tax as a result of an approved appeal in a property assessment of \$5.0 million or more be eligible for reimbursement the following year through State aid. • Limited the FY 2007 State aid appropriation to \$14.4 million for the Instructional Support Program. • Limited the FY 2009 General Fund appropriation to \$55.5 million for the Educational Excellence Program. • Extended the sunset for the Early Intervention Block Grant (Class Size Reduction) Program for one year (until the end of FY 2007). Appropriated \$29.3 million for the Program for FY 2007.
	HF 2095	FY 2008 School Foundation Allowable Growth Rate Act	<ul style="list-style-type: none"> • Established the FY 2008 allowable growth rate at 4.0% (FY 2008 State cost per pupil = \$5,333).

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2007	SF 477	School District Sharing Incentives Act	<ul style="list-style-type: none"> • Extended the Uniform Levy rate reduction for school districts that merge or dissolve on or prior to July 1, 2014. • Extended the supplementary weighting for sharing students/teachers in whole grade sharing agreements through FY 2014. • Eliminated the supplementary weighting for regional academies at the end of FY 2008. Department of Education administrative rules later extended the weighting through FY 2009.
	SF 588	FY 2008 Education Appropriations Act	<ul style="list-style-type: none"> • Created supplementary weighting for operational function sharing beginning in FY 2009 and ending at the end of FY 2014 for school districts and AEAs. • Extended the supplementary weighting for districts that reorganized after whole grade sharing through FY 2014. Eligible districts receive an incentive weighting equal to the weighting received in the year prior to reorganization for three years following the reorganization. • Authorized supplementary weighting for school districts receiving or providing virtual classes over the Iowa Communications Network (ICN). • Appropriated \$15.0 million for FY 2008 for the Statewide Voluntary Preschool Program established in HF 877.
	SF 109	FY 2009 School Foundation Allowable Growth Rate Act	<ul style="list-style-type: none"> • Established the FY 2009 allowable growth rate at 4.0% (FY 2009 State cost per pupil = \$5,546).
	SF 277	Student Achievement/Teacher Quality (SATQ) Act	<ul style="list-style-type: none"> • Required school districts to have a licensed guidance counselor beginning in FY 2008 and to work toward a goal of one qualified guidance counselor for every 350 students. • Required school districts to have a school nurse to provide health services to students beginning in FY 2008, and to work toward a goal of having one school nurse for every 750 students. Specified that the school nurse must hold a Statement of Professional Recognition issued by the Board of Education Examiners. • Increased the minimum salary levels by \$1,000 for FY 2008. The new minimum salary levels are \$26,500 for a beginning teacher, \$27,500 for a first-year career teacher, and \$28,500 for all other career teachers. • Appropriated \$173.9 million for the FY 2008 SATQ Program and specified allocation amounts by program. • Appropriated \$248.9 million for the FY 2009 SATQ Program and specified allocation amounts by program.

<u>Year</u>	<u>Legislation File Number</u>	<u>Legislation Title</u>	<u>Summary</u>
	HF 877	Statewide Voluntary Preschool Program Act	<ul style="list-style-type: none"> • Created the Statewide Voluntary Preschool Program for students that are 4-years-old. • Requires the Department of Education to implement an application and selection process for school district participation. • Appropriated funding for initial year start-up programs. The appropriation amounts were \$15.0 million for FY 2008 (appropriated in HF 588), \$15.0 million for FY 2009, \$15.0 million for FY 2010, and \$16.2 million for FY 2011. • Specified that after initial year, school districts be funded through the preschool formula. Each student receives a weighting of 0.6 multiplied by that year's State cost per pupil. Funding through the formula is all State aid.
	SF 601	FY 2008 Standings Appropriations Act	<ul style="list-style-type: none"> • Limited the FY 2008 State aid appropriation to \$14.4 million for the Instructional Support Program. • Limited the FY 2008 General Fund appropriation to \$55.5 million for the Educational Excellence Program. • Extended the sunset and annual appropriation of \$29.3 million for the Early Intervention Block Grant (Class Size Reduction) Program through FY 2012.
2008	HF 2700	FY 2009 Standing Appropriations Act	<ul style="list-style-type: none"> • Reduced the weighting for Home School Assistance Program (HSAP) students from 0.6 to 0.3 beginning in FY 2009. Additionally, specified that districts with expenditures that exceeded HSAP revenues could apply to the School Budget Review Committee for modified allowable growth. • Limited the FY 2009 State aid appropriation to \$14.4 million for the Instructional Support Program. • Limited the FY 2009 General Fund appropriation to \$55.5 million for the Educational Excellence Program. • Specified an additional AEA reduction for FY 2008 of \$5.25 million. The total AEA reduction for FY 2008 was \$12.75 million. • Specified the intent of the General Assembly that any additional reduction to AEAs were not to exceed \$2.5 million in FY 2009 and that in FY 2010 there would not be an additional AEA funding reduction (meaning the AEA reduction remain at \$7.5 million for FY 2010).

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	HF 2679	FY 2009 Education Appropriations Act	<ul style="list-style-type: none"> • Changed the supplementary weighting for district-to-community college courses from 0.48 to 0.70 for career/tech courses and 0.465 for liberal arts courses beginning in FY 2010. This was part of the Senior Year Plus Program. • Reauthorized and modified supplementary weighting for regional academies. Increased the minimum supplementary weighting total to 15.0 and the maximum total to 30.0. Included as part of the Senior Year Plus Program. • Established the State Categorical Supplement per pupil funding to begin in FY 2010 and required that the per pupil amounts increase by an allowable growth rate annually starting in FY 2011. The State Categorical Supplements include: The teacher salary supplement (consisting of the Student Achievement/Teacher Quality (SATQ) teacher compensation and Educational Excellence Phase II, the professional development supplement, and the early intervention supplement. • Increased the minimum salary levels to \$28,000 for beginning teachers, and \$30,000 for career teachers. Specified the intent of the General Assembly for a career II teacher salary level of \$35,000 and advanced teacher salary level of \$43,500.
	HF 2663	State Sales/Use Tax for School Infrastructure	<ul style="list-style-type: none"> • Eliminated the School Infrastructure Local Option (SILO) sales tax and created a State sales/use tax for school infrastructure at a rate of 1.0%. Specified that these funds be deposited in the Secure an Advanced Vision for Education (SAVE) Fund and that those funds be distributed on a per pupil basis similar to the SILO funds, effective July 1, 2009. • Specified that funds remaining after the SAVE distribution be deposited in the Property Tax Equity and Relief (PTER) Fund and be designated to supplement property tax relief through the school aid formula. There will be a two year lag - PTER funds generated from FY 2009 will be available for property tax relief through the school aid formula in FY 2011.
	HF 2140	FY 2010 School Foundation Allowable Growth Rate Act	<ul style="list-style-type: none"> • Established the FY 2010 allowable growth rate at 4.0% (FY 2010 State cost per pupil = \$5,768).
	HF 2620	Elections, Voting, and Voter Registration Provisions Act	<ul style="list-style-type: none"> • Specified that school elections be conducted in odd-numbered years and extended the terms of elected school board officials from 3 to 4 years.
	EO #10	Executive Order # 10	<ul style="list-style-type: none"> • The Governor issued Executive Order #10 that specified a 1.5% General Fund across-the-board reduction (ordered and implemented on 12/22/2008).

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2009	HF 820	FY 2010 Federal Block Grant Act	<ul style="list-style-type: none"> • Appropriated \$40.0 million of American Recovery and Reinvestment Act (ARRA) Education Stabilization Funds to be used in lieu of FY 2009 State school aid. • Appropriated \$202.5 million from the ARRA Education Stabilization Funds to be used in lieu of FY 2010 State school aid. • Capped the FY 2010 State school aid appropriation at \$2,587.5 million. • Specified that \$309.0 million from the State school aid appropriation be allocated for the State categorical supplements. • Appropriated \$2.0 million from the ARRA Education Stabilization Fund for professional development to be allocated to school districts and AEAs. • Appropriated \$13.1 million from the ARRA Education Stabilization Fund for the Instructional Support Program. This amount replaces the State portion of funding for the Program in FY 2011. • Maintained the additional AEA reduction of \$2.5 million in FY 2010. The total AEA reduction for FY 2010 was \$10.0 million.
	SF 470	FY 2010 Education Appropriations Act	<ul style="list-style-type: none"> • Eliminated the requirement that school districts spend no less on the HSAP than spent in FY 2008. Required the HSAP funding generated through the school aid formula to be spent on the HSAP program. • Provided for the transition of the Price Laboratory School to the State Research and Development School. • Appropriated \$11.5 million for the Statewide Voluntary Preschool Programs in FY 2010 for start-up programs during the 2009-2010 school year. • Appropriated \$7.6 million for the SATQ Program for FY 2010.
	SF 81	School District Disaster Relief Adjustments Act	<ul style="list-style-type: none"> • Provided authority to school districts and AEAs in response to disasters and upon State Appeal Board approval, the ability to implement an emergency levy at a rate not to exceed \$0.27/\$1,000 taxable valuation.
	SF 217	Categorical Allowable Growth Act	<ul style="list-style-type: none"> • Set the FY 2011 State categorical supplement allowable growth rate at 2.0%.
	SF 218	FY 2011 Allowable Growth Act	<ul style="list-style-type: none"> • Set the FY 2011 regular school aid allowable growth rate at 2.0%. Increased the FY 2010 State Cost Per pupil by \$115 for FY 2011.
	SF 445	Teacher Salary Integration Act	<ul style="list-style-type: none"> • Incorporated Educational Excellence Phase II into individual salary schedules. • Repealed the Education Excellence Program beginning in FY 2011 resulting in the elimination of the Educational Excellence Phase I appropriation and Phase II set-aside appropriations.
	EO #19	Executive Order # 19	<ul style="list-style-type: none"> • The Governor issued Executive Order #19 that specified a 10.0% General Fund across-the-board reduction (ordered and implemented 10/8/2009).

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2010	HF 2030	School District Unexpended Balances Act	<ul style="list-style-type: none"> Specified that the director of the Department of Education be an ex-officio, nonvoting member of the SBRC and added an additional member to be appointed by the Governor. Specified that the SBRC review unexpended fund balances prior to decisions regarding unusual financial circumstances. Specified that the SBRC review a school district's unspent balance prior to any decision to grant modified allowable growth requests. Required the SBRC to determine if a school district's unexpended fund balance is an excessive amount necessary for operations, and direct the school district to use unexpended fund balance in lieu of levying property taxes if that is the case.
	HF 2295	Area Education Agency Study and Report Act	<ul style="list-style-type: none"> Required the Department of Education to convene a task force to review the current AEA system. Required a report to be submitted to the General Assembly by December 15, 2010.
	HF 2461	School Business Managers Act	Established a professional business manager license for school business managers effective for new hires after July 1, 2012.
	SF 2045	FY 2012 Regular School Aid Allowable Growth Rate	<ul style="list-style-type: none"> Specified that the FY 2012 regular school aid allowable growth rate be set within 30 days of the Governor's FY 2012 budget proposal. This delayed the setting of the rate one year.
	SF 2046	FY 2012 State Categorical Allowable Growth Rate	<ul style="list-style-type: none"> Specified that the FY 2012 State categorical allowable growth rate be set within 30 days of the Governor's FY 2012 budget proposal. This delayed the setting of the rate one year.
	HF 2531	FY 2011 Standing Appropriations Act	<ul style="list-style-type: none"> Capped the State school aid appropriation at \$2,499.2 million for FY 2011. Appropriated \$5.1 million from the Underground Storage Tank Fund and specified that that amount be used in lieu of General Fund dollars for FY 2011 State School Aid (also - HF 2519 appropriated federal ARRA funding to be used in lieu of General Fund dollars for State school aid). Specified that the allocation of State categorical supplement funding totaling \$314.9 million not be reduced and allocated in full as a result of the State school aid shortfall for FY 2011.
	HF 2519	FY 2011 Federal Block Grant Appropriations Act	<ul style="list-style-type: none"> Maintained the additional AEA reduction of \$2.5 million in FY 2011. The total AEA reduction for FY 2011 was \$10.0 million. Appropriated \$7.5 million from the School Infrastructure Fund in lieu of the General Fund appropriation for the FY 2011 State portion of the Instructional Support Program. Specified that if any additional federal ARRA funds for education stabilization were made available, those funds would be used to fund any shortfalls in State school aid. Appropriated \$4.0 million from the Cash Reserve Fund for the Statewide Preschool Program. This was in addition to \$11.2 million appropriated to the Program in SF 2376 (FY 2011 Education Appropriations Act). Appropriated \$25.3 million from the ARRA Education Stabilization Fund to be used in lieu of State School aid in FY 2011. Appropriated \$22.6 million from the ARRA Government Services Stabilization Fund to be used in lieu of State School aid in FY 2011.

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	SF 2376	FY 2011 Education Appropriations Act	<ul style="list-style-type: none"> • Appropriated \$11.2 million for start-up Statewide Voluntary Preschool Programs in FY 2011. House File 2531 appropriated an additional \$4.0 million from the Cash Reserve Fund for Program. • Specified that beginning in FY 2011, the grants to school districts for the Statewide Voluntary Preschool Program be prorated as needed to accommodate all interested school districts. • Exempted State categorical supplements from any future General Fund across-the-board reductions. • Specified authorized uses for funds generated from the Home School Assistance Program (HSAP) weighting generated through the school aid formula. • Appropriated \$7.3 million to the Student Achievement Teacher Quality Program for FY 2011. • Changed the single salary system to a combined salary schedule.

*Notes and Sources:

Summary of legislation from 1971 through 1998 was compiled by the Department of Education in the "Public School Funding Formula History Legislative Summary (1971 - 1998)."

Summary of legislation from 1999 through 2010 was compiled by the Legislative Services Agency, Fiscal Services Division, and based on information obtained from LSA Fiscal Reports and Fiscal Notes.